

*Thanksgiving
Issue*

HARVEY G. ELLERD
J. CARGILL JOHNSON
R. F. BRADLEY

THE WAY
TO ECONOMIC
BETTERMENT

The

BRIDGE

... NOVEMBER 1936 ...

Cuna Supply Cooperative

THE CUNA Supply Cooperative is the department of the Credit Union National Association which has to do with the production and distribution of accounting forms. It was early discovered that a great need existed for a simple and uniform system of accounting. It is also necessary to be able to extend very long credits to some of the new credit unions organized within small groups.

We have first equipped our well located plant at Raiffeisen House to produce those forms which could be most efficiently produced on a quantity production basis.

We are now also equipping to handle short run forms. Our future plans include stressing the publication of posters and other material designed to help and to promote credit union development—to educate credit union members as to the service which the credit union has to offer. These plans also include the development of a service to assist credit unions in the purchase of the machinery which a credit union uses in its operations—safes, adding machines, files, bookkeeping machinery, etc.

Since the removal of the Credit Union National Association to Madison we have been able to announce a reduction in the price of all forms of 10%.

We are now able, after careful price studies, to announce a reduction in 43 items of our list of substantially greater than 10%, averaging 25% on most items. These very substantial reductions are being made to credit unions which do business directly with the CUNA Supply Cooperative at Madison as of December 1st and proportionate reductions are being made to all State Leagues handling forms so that the same approximate benefits may be passed on to their members.

**The New Price List Is Now Ready and May Be Had On Application With the Old Price List Included
For Purposes of Comparison**

If you will investigate—you will find that—

No Credit Union Can Longer Afford Not To Affiliate With CUNA

A credit union affiliates with CUNA by joining a State League (of which there are 39) which is affiliated with CUNA. See the back cover for the contact addresses. A new credit union affiliating pays no national dues if organized since January 1st or if it paid less than a 3% dividend last year. It pays only a nominal entrance fee to the State League—generally \$2.00. A study of what the CUNA Mutual Society and the CUNA Supply Cooperative and the other activities of CUNA are doing for their membership will prove to you that arithmetically — Your Credit Union Cannot Afford Not To Belong To the Credit Union National Association.

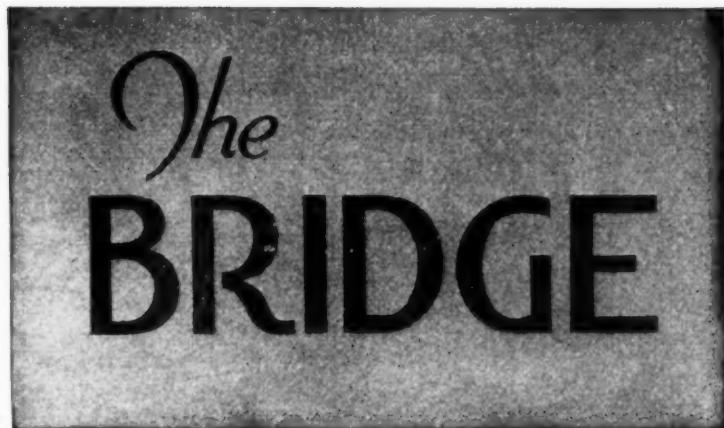
**CUNA
SUPPLY
COOPERATIVE**

Raiffeisen House - Madison, Wis.

When Making Your Christmas Selections — REMEMBER THE BRIDGE ADVERTISERS!

ROY F. BERGENGREN
Editor

JANET BUBIER
BRIDGE Tender



The BRIDGE is the way to economic betterment, a magazine devoted to improving the lot of the average of us who work for a living.

(OLD VOLUME XI) VOLUME I

November, 1936

NUMBER 9

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50,000 by Christmas! Christmas Shoppers--Patronize Bridge Advertisers



IN THIS ISSUE

Just back from the Executive Committee meeting in historic old Boston (see the Christmas issue for details) we shall crowd hard to get this BRIDGE into the mails by Thanksgiving.

In this issue we are crowded—as crowded as a good old-fashioned New England Thanksgiving table all spread for the family and an even fourteen guests! Think of it! Here's the beginning of the feast—the oyster cocktail—an article by the BRIDGE Tender about Thanksgiving which you'll enjoy whether we get to your house on time or not. Then the soup course—a grand article about the making of big ships—SHIPS FOR THE SEVEN SEAS—by J. Cargill Johnson. For the turkey course—a scoop! An article by the holder of Ticket No. 1 on the first all commercial flight across the Pacific in the Hawaii Clipper, *a flight which made history*. We are proud of this story by R. F. Bradley, it being his day by day log of the trip.

There is Tom Doig's interesting and instructive department.

And we talk about CUMET—interesting word, and have an article about *Our Ancestors*, knowing that lots of folks want to know whether or not like Topsy, we "just grew."

And Then A Merry Christmas!

Well—we're making one New Year's resolution in advance!

We do hereby solemnly resolve that the Christmas BRIDGE, no matter what happens, will be OUT BEFORE CHRISTMAS!!!!

In it we shall have the story of the BOSTON MEETING so that, one and all, just before we go to see what Santa left, will know just what CUNA proposes to do by way of Christmas presents to the million odd credit union members this coming year! We can see in the offing also some interesting articles on credit unions of school teachers.

We don't go in much for self-glorification BUT—Amidst the hundreds of favorable letters we are gettin' we can't resist quoting from a letter received from a Professor of Economics in a Catholic College. It got under our skin, this one, and this is what he writes:

"I am going to take this occasion to put in a word for the BRIDGE. No professor of economics ever got more out of a four dollar text book than I have gotten out of my year's subscription to the BRIDGE and I still have a couple of issues to go."

He said lots more nice things about us and it's simply a specially nice letter among hundreds of nice letters.

SOOOOO—pull up to the festive board! Eat hearty! It's Thanksgiving! We've much to be thankful for!

And then, all ye good and faithful subscribers—get ready—for it'll soon be

MERRY CHRISTMAS!!!!

The Day Before

I AM WRITING this editorial the day before one of the most important national elections in history. When it is printed as a part of the November BRIDGE the election will long be over.

Sitting here before office hours on a calm, serene November morning, where, by looking a bit to the right I can rest my gaze on the broad expanse of beautiful Lake Mendota, far away from the speeches of yesterday, without even a newspaper on my desk screaming at me that if thus and so doesn't happen tomorrow the whole United States is on the road to perdition—it is difficult to comprehend the campaign through which we have been passing.

The objective of a campaign is to influence voting on some other basis than intelligence. We try first to arouse passions; then we cultivate fears and finally we try persuasion and threats. We lose all sense of decency. It is more like a street brawl than a prize fight, for professional fighters are limited in their way of fighting by the Marquis of Queensbury rules.

Some things are clear—at least they seem very clear to me this fine morning before election. The first clear conception is that—*there is nothing to be afraid of*. There is no danger of communism in America. The average worker is honest. He is conservative. He loves his country. He wants to live as abundant a life as can be had in this age of mass production. He responds better to Jefferson and Lincoln than he will ever respond to Stalin and Lenin.

No—I am convinced that whatever happens tomorrow the United States will go on its way, serene; that we have great objectives to make; that it is our national job to prove that democracy works and that it will outlive fascism and communism and that the United States of America, still in the infancy of its destiny, will go bravely forward.

And whoever is elected—on Wednesday morning we shall begin to evaluate more fairly the administration of our present President. He has, however the election turns out, made his place in history. *No man in our day has earned more completely the accolade "Well done—thou good and faithful servant."* We are safe in his hands if he is re-elected.

And if Mr. Landon is elected—we shall all forget what has transpired and we shall cooperate with him like loyal Americans should and do our part that his administration may reflect luster on his name and glory to our country.

I find that on the eve of election I am profoundly stirred by my love for these acres we call the United States of America.

With Europe preparing for war, we strive and pray and earnestly aspire to peace among all nations.

With many countries turning pathetically to dictatorship, in despair giving up their liberties, we have stronger faith than ever in our democracy.

Every industrial development makes for mass production of things needed for the enjoyment of the earth and the fullness thereof and no matter how stupidly we incline against realizing that it must be accompanied by mass consumption—in the end there will be mass consumption and standards of living far beyond the present ken of man.

Ours is still a rising sun. Still our trust is in God. Still our faith is in the inheritance of Washington and Jefferson and Lincoln.

P. S.: Somehow or other this makes pleasant reading a week after election as the BRIDGE goes to press, offering humbly and with profound thanks for our innumerable blessings this Thanksgiving issue on this most happy Thanksgiving of a long and difficult decade.





Thanks A Million---and Why

by JANET BUBIER

WHEN YOU BRIDGE readers get this, you'll probably be promising yourself that this year for once you won't eat too much on Thanksgiving Day, or (at least, I always do this) you'll be wondering why on earth you did eat so much. But you may not be particularly thankful for anything, unless perhaps for being able to sleep later than usual in the morning. And if you have any thought at all about the why of Thanksgiving, you probably have a pretty confused picture of Puritans, the Mayflower, turkeys, and Indians—all mixed up, without much rhyme or reason. I know that's always been my idea, and I was no end disappointed when I found that the Mayflower didn't figure in it at all.

You see, the first Thanksgiving all happened this way: In the fall of 1621, the Puritans gathered their first harvest—it was their first in a new land, and also the first anywhere for most of them, because they had never tried farming before, but had been craftsmen and artisans in their former homes. It was a good harvest, and doubly welcome because it was so badly needed. So Governor Bradford set aside a day on which they would celebrate their good fortune—really a harvest festival, you see. Men were sent out to get wild fowl for the feast, and the fact that they got mostly turkey still influences our present Thanksgivings. King Massasoit and some of his Indians were invited, and their whooping arrival at dawn of the appointed day started things off. After a cannon salute, followed by church serv-

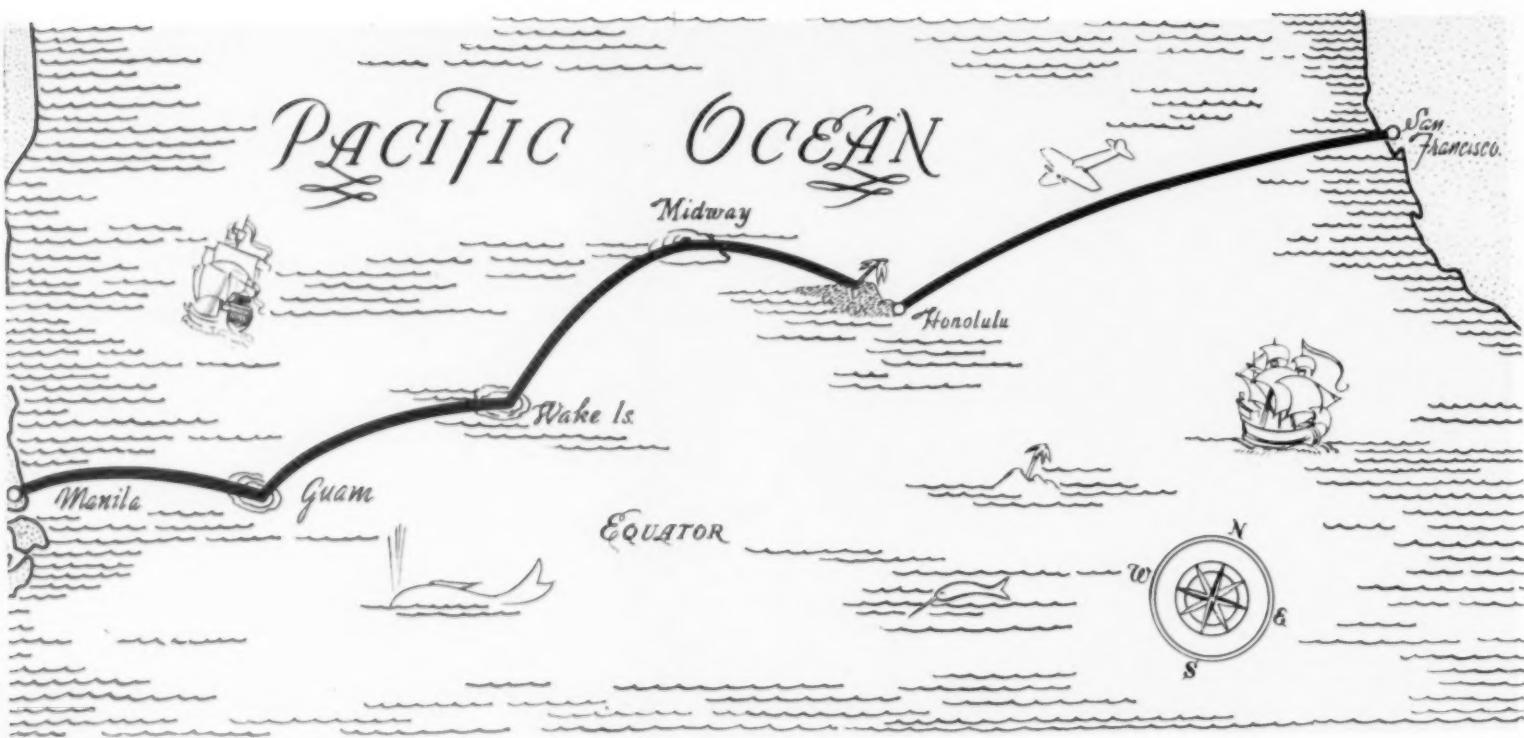
ices, the Puritans and their ninety Indian guests sat down to their feasting, and, believe it or not, the celebration lasted for three days of feasting and entertainment (singing hymns, military drills by Captain Miles Standish and his men, and war dances by the Indians), which proves that the life of a Puritan wasn't wholly toil and trouble.

That first Thanksgiving was followed by others—for various reasons, but was not observed regularly. For example, there was none in 1622, because supplies were scarce and there were rumors of trouble with the Indians. But in 1623, when there was a drought, and a ship bringing more settlers was reported lost,

a day which had been set aside for special church services and fasting turned into a day of feasting, because rain came. Captain Miles Standish and his men arrived from the northward with provisions, and the ship was reported safe. This, however, was in July, rather than November, and other days of thanksgiving were observed for victories over the Indians, the arrival of a well-laden ship, or other successful harvests.

By 1684, the observance of an autumn Thanksgiving had become an annual custom in Massachusetts, and spread more or less throughout the other colonies. Washington proclaimed a day of Thanksgiving for the army, and John Hanson who was Washington's predecessor as president, proclaimed a national holiday and day of Thanksgiving to celebrate the American victory over Cornwallis at Yorktown. But it wasn't till 1863 that Thanksgiving became a national holiday, and we have a lady to thank for that. Maybe this all belongs in Bridget Burns' department on that account, but anyway, the lady was Sara Josepha Hale, the editor of *Godey's Ladies' Book*, and, with characteristic energy, she wrote to the governors of all the states, urging that the last Thursday of November be set aside as a day of Thanksgiving, so that by 1859 it had been adopted in all but two of the states. Then, in 1863, she sent a copy of Washington's Proclamation to President Lincoln, urging that he follow the example, which he did—and ever since then his example has been followed.





MR. R. F. BRADLEY, Manager of Aviation Department, Standard Oil Company of California and member of SoCal Employees' Credit Union No. 1, is the writer of this interesting article on the first paid passenger flight of the Hawaii Clipper.

Mr. Bradley flew on No. 1 ticket, and during the war Mr. Bradley served as a lieutenant in the Naval Air Service, and had active flying service in France. He holds the commission of Lieutenant in the U. S. Naval Reserve Corps, holds a transport pilot license, and operates his own plane, is a member of the Federation Aeronautique Internationale, and is a member of the Quiet Birdmen.

With these qualifications he has an unusual background as an observer on this initial flight.



By R. F. BRADLEY

Wings Over the

Departed San Francisco Bay, October 21, 1936, 3:11 P. M. (P. T.)

PASSED OVER San Francisco Bay Bridge, along Embarcadero, Marina and Presidio. Just after passing over Golden Gate Bridge encountered low cumulus clouds on the coast. "On top" from then on over "snowy desert". Later clear and broken—smooth air.

About 10:30 P. M. our passengers drifted one by one into the sleeping compartment. The excitement of the day had everyone somewhat tired out, and the thoughts of retiring seemed quite appropriate. Our sleeping facilities consisted of upper and lower berths similar to Pullman accommodations. Reading lights, stewards call buttons, extra blankets (which, although we were flying at altitudes between eight and ten thousand feet, were not required), all were provided for our personal comfort. The fact that everyone reported having enjoyed a good night's sleep next morning was testimony to the unusual comfort of our quarters.

As a pilot and an experienced traveler, it is interesting to record the unusual reactions experienced by a somewhat blasé individual like myself. I wonder how soon these novel experiences will become

commonplace, and what new thrills or reactions will take the place of them next.

We have, at some time or another, experienced that feeling of utter insignificance after having climbed to the top of a high mountain, and while viewing the impressive surroundings midst utter silence, been overcome with the vastness of this huge universe upon which we play such an infinite part. Well, just multiply this insignificance about ten fold and you will have some idea of just how small you will feel under these circumstances.

It is getting late, after ten-thirty. All the rest of the passengers have drifted out of the drawing room, retiring for the night. You are feeling sleepy yourself. After finishing that interesting magazine, and snapping off the light over your berth, you take one last look out of the window at your side. You're somewhere out over the great Pacific Ocean—but exactly where? You peer down, some ten thousand feet below at the dark limitless surface of the sea stretching out in every direction. Occasionally, over this endless blue-black expanse of liquid desert, a squadron of fleecy white clouds drifts lazily by, spaced at odd intervals and quietly minding their own business.

Farther off in the distance, these clouds seem to have crowded themselves off into

wintry looking snow covered plains, ever assuming that intense silence so characteristic of a night snow scene in the country. In a large clear space at the right can be seen the reflection of the full moon on what from this high altitude deceptively appears to be tranquil waters. Your gaze shifts instinctively to the heavens. Now, be prepared for quite a surprise, for, unless you have previously flown in the crystal clear atmosphere of high altitudes at night, you have never gazed at the constellations in all their glory.

Your first survey of all this sight arouses your curiosity. This world, how stupendous, how inconceivably gigantic. You go over this visual sequence again and again. Each time more inspired by the magnitude of this universe, each time more conscious of the minor part you play in it. How trifling these world affairs of ours. You look away from your window, intent on dismissing it all from your mind, yet you can't quite resist the impulse to steal one more glance at it before it is lost. Finally you turn away, settling back on your pillow, feeling that somehow it all seems to be a different world out there.

Arrived Honolulu 8:05 A. M., October 22, 1936

Pan American's Honolulu base is at Pearl City, adjacent to the Naval Aid Station in a both beautiful and accessible spot. Our welcome there was the occasion for Hawaiian music, dancers, leis, news reel pictures, interviews and a radio broadcast. Honolulu is definitely progressing. Their buildings, streets, and transportation facilities may have changed, but their hospitality has remained unequalled for its warmth and friendliness.

Departed Honolulu 6:56 A. M., October 25, 1936

Beautiful Hawaiian farewell. One passenger off, five new ones for Manila. Splendid weather. After leaving Honolulu the course follows a chain of islands and reefs

affording easy navigation and many opportunities to check the accuracy of radio bearings. This is the only part of the trip affording any scenery other than beautiful cloud effects over the vast expanse of the sea, with an occasional twinkle of steamer lights through small breaks in the clouds on the night trip between San Francisco and Honolulu.

Arrived Midway 2:20 P. M., October 24, 1936

Midway is virtually a pin point on the chart and requires a good navigator to find it. Being surrounded by coral reefs, it was necessary to dynamite channels to make it possible to land equipment and supplies when building the clipper base.

Departed Midway 6:10 A. M., October 24, 1936

Departure just at daybreak. Still favored with good weather. Flew at various altitudes, admired beautiful cloud effects. Crossed International Date Line at 8:10

A. M. All passengers were presented with appropriate certificate of occasion by Captain Musick.

Arrived Wake 1:15 P. M., October 25, 1936

Both Midway and Wake beautiful from air, and Wake station is more elaborate than Midway. Upon approaching Wake group we find that it is really made up of three islands, Wake, Wilkes and Peale, one of which shows evidence of having been submerged at some distant time. They are 1200 miles from any other islands, about five days from Midway by steamer, and approximately half-way between California and China.

Departed Wake 6:00 A. M., October 26, 1936

Off again at dawn. Weather started out good but was forced to climb to 12,500 feet

(Continued on page 8)

The Hawaii Clipper in flight.



(Circle) Games to pass the time away.

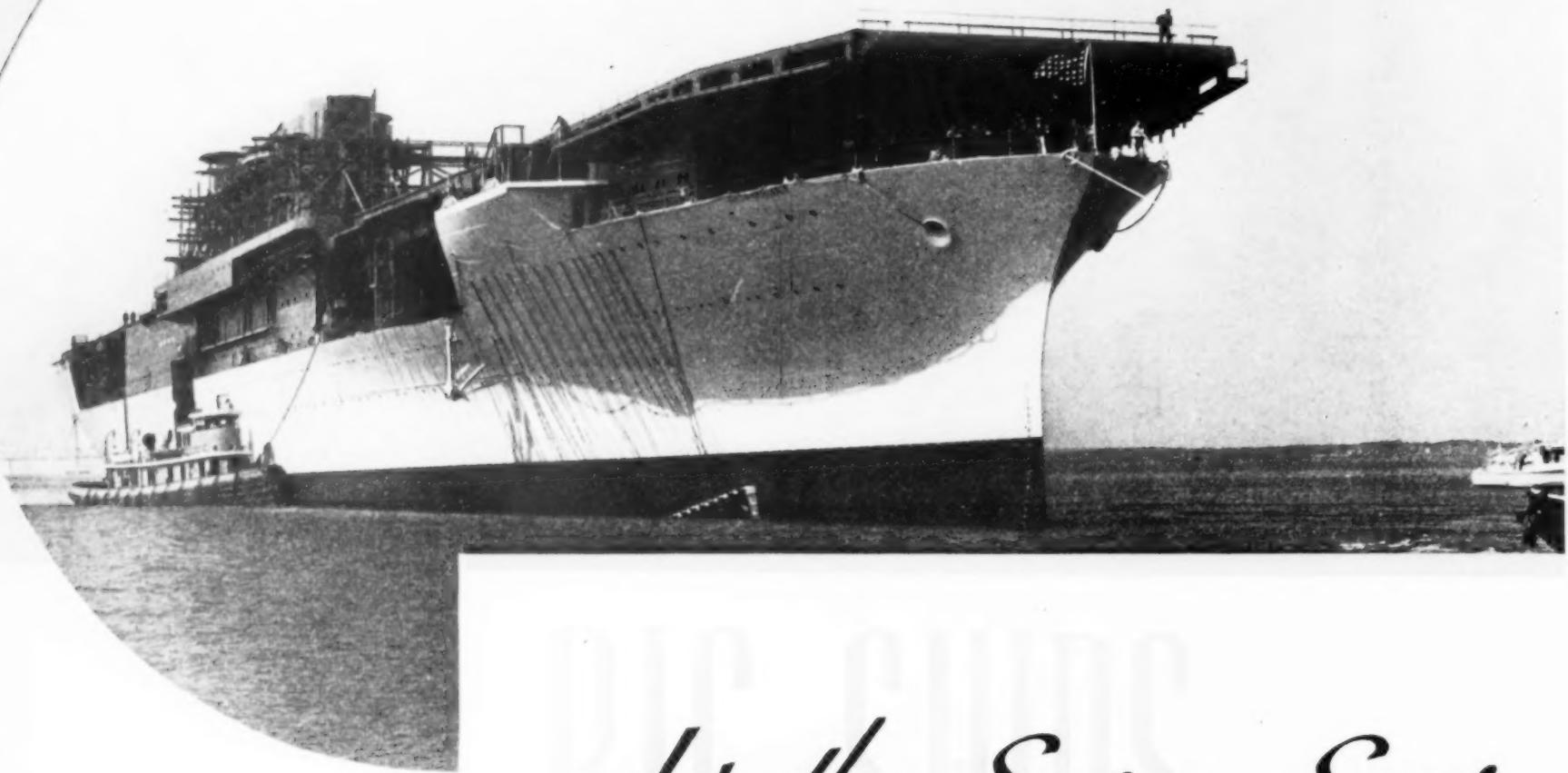
(Below) And then to bed.



(Above) Relaxing comfortably in the cabin.

(Below) Dining in the clouds high over the Pacific.





for the Seven Seas

THE LAUNCHING of the United States Naval Aircraft Carrier, *Yorktown*, at Newport News, Virginia, on April 4, 1936, marked generally the fiftieth anniversary of the beginning of the shipyard at that place. Specifically, the charter was granted in January 1886, and in April of that year proceedings were commenced for the permanent organization of the company. In due course thereafter a site was purchased along the broad waters of James River near its mouth on Hampton Roads where the deep channel of the river swept suitably near the shore. Tides at that point averaged about two and a half feet from mean low to mean high water.

In landward aspects the site selected was not without distinctive advantages for a shipyard. Open land provided ample room for expansion; high ground afforded necessary earth filling for the shoal waters adjacent thereto; only a short spur track was required for connection between the site and the main line of the Chesapeake and Ohio railroad. Street and avenue lines for possible extension of the embryonic city of Newport News having already been laid out with the avenues roughly parallel to the river shore, the shipyard premises were developed in conformity with those lines.

Ground plans were laid out in large proportions as were also the construction plans for the first dry dock. The latter, requiring more than two years for design and construction, was opened in April 1889. Additions to the plant were then commenced to provide for building steel ships and marine engines and boilers on a scale commensurate with the proportions of the dry dock and dockyard equipment for ship repair work. The com-

pletion of two large freight steamers in the summer of 1892 marked the advent of the company among important American shipbuilders.

It was through the vision and constructive genius of Collis Potter Huntington, of transcontinental railroad fame, that this outstanding enterprise was established in Virginia, and through his courage in large undertakings that it was continued and strengthened. The building of a second and larger dry dock, to require upward of two years for design

by J. CARGILL JOHNSON

and completion, was authorized in 1898, while the cost of lesser improvements authorized in the course of its construction greatly exceeded the total of occasional small profits presumed under the accounting practice of that day to have been made from the first ten years of operation.

"It was my original intention," said Mr. Huntington in 1899, "to start a shipyard plant in the best location in the world, and I have succeeded in my purpose. It is right at the gateway of the sea." Implanted by him in the organization from the beginning were the principles and practice of doing good work. "Let there be no mistake about the quality of the work" typifies frequent instructions to executives in charge of the plant. "I think that is more important," said he, "than that you do work with a view of realizing the largest profit on what you do, for, of all things, I think ships that sail the seas should have honest work and only that in every particular."

The operating organization and the policy with respect to the quality of work, established by the founder, were continued by his heirs. The continued policy with respect to plant and equipment may be illustrated typically by a large addition to the office building in 1902 for strengthened forces of design and management while additions in the operative departments were continued as needed



The business of docking a big ship for repairs is of extraordinary interest.

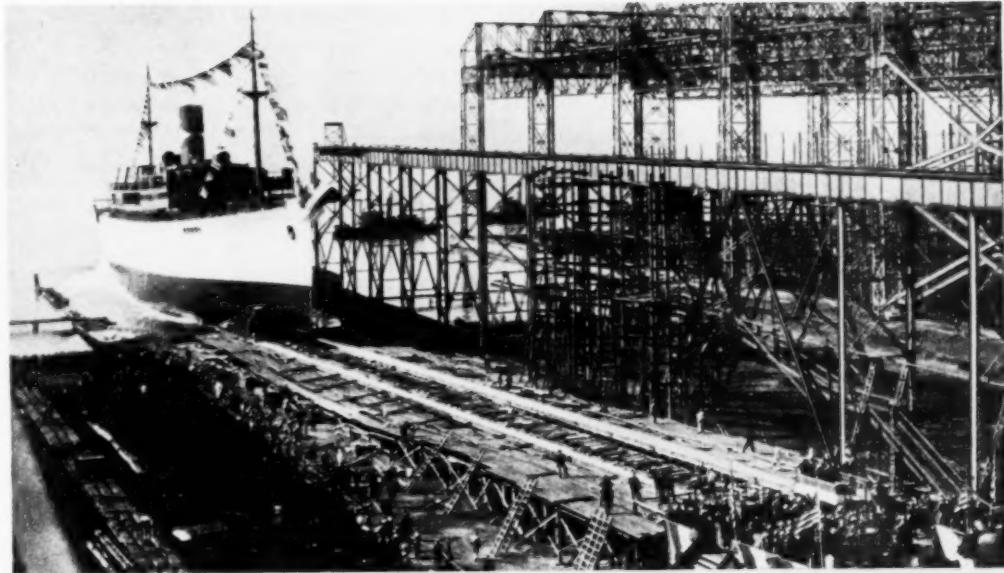
year by year. The building of a third dry dock, which was completed in 1908, was accompanied and followed by further extensions and improvements in operating facilities.

Thus was the shipyard at Newport News started and carried on as a private business venture. Competition had been and has continued to be keen both for repair work and for marine construction of all kinds. Through advantages of location, the constructive investment of capital with re-investment of earnings in constant modernization of plant, and skillful management has it survived. By these means and the development of a highly trained personnel which is in effect a community devoted to the many and varied operations of building and repairing ships, this shipyard has come to rank among the nation's great industrial establishments.

To mention the names of the presidents of the company would be to mention names well known in the annals of American shipbuilding, and the names of other executives in specialized branches of the work, if space permitted, would illustrate a well rounded executive organization.

Homer L. Ferguson, formerly general superintendent and later vice president and general manager, became president in 1915. In that position he continued the duties of general manager. The high position in business leadership accorded his predecessors as chief executive was not only sustained by Mr. Ferguson but also the signal ability with which the added responsibilities resulting from the World War and the difficult years which followed marked him among the outstanding leaders of large American enterprise.

During the superintendence and management of the plant by Mr. Ferguson in the decade prior to the declaration of war by the United States in 1917, the utilization of equipment was greatly improved and measures later designated under the heading of human relations or personnel



Typical launching of a 6900 ton merchant vessel at the Newport News Shipbuilding and Dry Dock Company. We are indebted to Mr. Johnson for these pictures.

work, some of which had previously been in effect in less systematic degree, were made regular features of operation. Among these may be mentioned organized safety work, more specific attention to the health and comfort aspects of working conditions, and enlargement of surgical services to provide full time attendance for the treatment of injuries, all of which were considerably in advance of the requirements of state laws on these subjects.

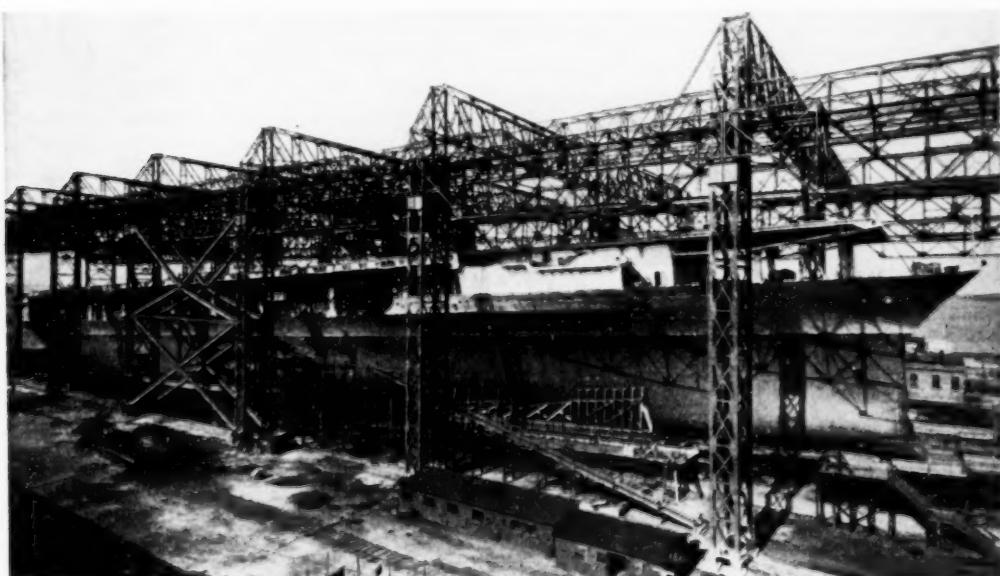
A retirement allowance plan was put in effect in January 1915. Educational work for employees was actively promoted and the apprentice system broadened for more systematic training. Employment procedure and responsibilities, formerly decentralized to departments, were organized under general supervision.

Much beyond the scope of this paper are more than general references to wartime operations of the company. It must

be noted in the beginning, however, that due to shipbuilding and port activities resulting from the war in Europe, a shortage of living accommodations for shipyard workers had developed in Newport News and vicinity before the declaration of war by the United States. Housing developments were therefore not only a necessary part of the company's war work but they also had to precede material increases in the force. The procurement and installation of new equipment to the cost of several million dollars was a further prerequisite for the desired increase in speed and volume of production.

Of initial significance in the company's war work were not only a force of 7,500 men well organized under constructive managerial policies but also the work done in previous years because many of the vessels built prior to the declaration of war as well as those completed in the period of the war rendered notable service in that conflict. Of the vessels for all purposes in the United States Navy ready for service when the country entered the war, those built at Newport News comprised twenty per cent of total displacement tonnage and 36,800 tons were delivered during the war. To the 580,000 displacement tons of merchant and Coast Guard types of vessels used in naval and other essential branches of Government service which were built at Newport News, 140,000 tons were added during the war.

Uninterrupted repair service for the conversion of merchant vessels from peace to war duty, for dry docking, and for repair work of all kinds upon vessels engaged in the overseas transportation of troops and supplies and other necessary duties was of no small importance to the Government in the daily prosecution of the war. Between the dates of the declaration and the armistice one thousand ship repair orders were executed ranging in duration according to extent of the work to be done from one to fifty days. (Continued in December.)



A naval aircraft carrier on the ways prior to launching. If the next war is to be fought from the air this type of floating home station for flight plans will be most important.

Wings Over the Pacific

(Continued from page 5)

to get over storm clouds. Still favored with 35 MPH tail wind. Phillipine Clipper eastbound out of Guam turned back account of storms and head winds. Rest of trip good weather.

Arrived Guam 2:50 P. M., October 26, 1936

Guam Island, with a population of 20,000 inhabitants, is far off the beaten steamer track and became the property of the United States after the Spanish-American War. It is a closed port governed by the United States Navy, is about 200 square miles in size, and its hills are abundant with tropical vegetation. It has a natural coral breakwater affording ample protection within its harbor. Pan American is using as a temporary base the seaplane ramp, hangars, shops and store rooms formerly used by a United States Marine Squadron. Permanent personnel assigned to these bases include radio men, weather forecasting experts and mechanics for serving planes. Staunch rescue launches capable of going 500 miles to sea in event of a forced landing are maintained, while the clipper ships are equipped with rubber life rafts which can be inflated in twenty seconds by turning a valve on attached compressed gas flasks.

We were taken for a motor trip around the island shortly after our arrival, and invited to be guests of Governor McCandlish for dinner at his beautiful mansion. The Clipper service at this point was certainly heralded with much enthusiasm, for with the exception of an occasional freighter's call and the periodic stops of an Army Transport, little other contact was had by the Navy personnel with people from the outside world.

Departed Guam 6:30 A. M., October 27, 1936

Weather O. K. here for take-off at day break. Eastbound Phillipine Clipper being held over another day account storms and winds between here and Wake. At 9:45 A. M. passed over U. S. Army Transport Grant westbound for Manila. Weather perfect for the whole trip. Beautiful tropical cloud effects.

Arrived Manila 2:56 P. M., October 27, 1936

Landed at Cavite Navy Yard, and the complete "air bridge" has been achieved. Went direct to President Quezon's palace for welcoming and cocktails. Elegant corner suite at Manila Hotel. Spent the next few days visiting, sightseeing and shopping, and had a very enjoyable time.

Departed Manila 2:10 A. M., October 31, 1936

On account of weather and strong head winds, departure delayed one day. Four new passengers replaced those left at Manila. Slept most of forenoon. Weather good except for strong headwinds.

Arrived Guam 4:40 P. M., October 31, 1936

Went swimming and had cocktails at Captain Cutts' home, followed by dance and Halloween party at Officers' Club. Had several severe earthquakes before our arrival and right after our departure.

Departed Guam 5:32 A. M., November 1, 1936

On account of gaining time on eastward flight and expected strong head winds, we took off early. Slept again in forenoon. Read a book, "I'm Afraid I'll Live," worked on story for the BRIDGE, et cetera. Return trip seems much longer account head winds and gaining on time.

Arrived Wake 7:22 P. M., November 1, 1936

Landed at Wake after dark. Enjoyed a good swim. China Clipper westbound also here over night with only two passengers for Manila. Cool breeze, very comfortable, with full moon on turquoise colored water.

Departed Wake 6:15 A. M., November 2, 1936

Took off after daybreak right after westbound China Clipper. Still bucking headwinds. Weather otherwise very good. Flying at altitude of 9,500 to 10,500 feet. Radio reports China Clipper turned back to Wake account storms. This is the most uncertain season of year for weather. So far we have been quite lucky. Crossed International Date Line at 2:36 P. M. and all passengers were presented with certificate "Domain of Phoebus Apollo."

Arrived Midway 4:05, November 1, 1936.

Departed 6:10 A. M., November 2, 1936

Took off with a beautiful sunrise. Weather excellent. Reached an altitude of 14,200 feet at 2:00 P. M. to get over high cloud banks. Sighted various islands and reefs.

Arrived Honolulu 5:12 P. M., November 2, 1936

Stopped at Royal Hawaiian Hotel. Went to sukiaki dinner at a beautiful Japanese tea garden and spent evening on Wakiki Beach.

Departed Honolulu 12:35 P. M., November 3, 1936

Took off after cutting down baggage to 20 lbs. as we took an extra passenger and had an unusually large cargo of mail due to marine strike. Weather forecast fair. About three hours after leaving were faced with possibility of turning back to Honolulu due to trouble with robot pilot, but repairs were made, so continued on.

Arrived San Francisco Bay 11:02 A. M., November 4, 1936

And thus is climaxed nineteen months of preparation, starting March 27, 1935, when the chartered freighter "North Haven" sailed from San Francisco Bay

laden with 6000 tons of cargo comprising windmills, launches, electric generators, radio transmitting and direction sets, cold storage plants, lumber, gasoline, oil, furniture, stoves and household equipment, and complete facilities for establishing a trans-Pacific air service. The following month the Pan American Clipper, a four-motored flying boat, took off for Honolulu, the first survey trip. Afterwards this ship flew to Midway, Wake and Guam, exploring the vast spaces of the Western Pacific over which we had just flown our charted course. In November, 1935, the China Clipper, a larger flying boat, intended for regular service, arrived, and later the Phillipine and Hawaii Clipper ships came along, rounding out the fleet. These three flying boats took up regular schedules, carrying the mail and perfecting the technique of the new operation. The first mail trip was last November, the first express-carrying flight in February, and finally, on October 21, 1936, came the first passenger flight, which included the writer, the proud possessor of No. 1 ticket by reason of a reservation made two years prior when this epoch making service was first contemplated.

Although this log does not so state, the flight was in the "Hawaii Clipper."

Contest Extended One Month!

Because the election slowed up the start of the Credit Union Organization Contest so materially the Executive Committee of CUNA at the recent Boston session voted unanimously:

To Extend The Contest One Month!

The contest will conclude for signing up new groups on January 31 next (instead of December 31) and for completing organization on the last day of February at midnight instead of January 31.

The Contest is really just starting. You are in time. Get aboard. \$2500 in cash prizes, with forty (40) substantial individual cash prizes. For details write the Managing Director of your State League (see outside back cover) or the

Credit Union National Extension Bureau

Raiffeisen House, Madison, Wis.

EXTRA! EXTRA!!!! Closing Date of the Contest—January 31st Next!

Credit Unions In ARMOUR AND COMPANY

by HARVEY G. ELLERD

Director of Personnel, Armour and Company, Chicago



WE ORGANIZED the first Armour credit union, and, as a matter of fact, the first one in the meat packing industry, at the Armour packing plant in South Omaha, Nebraska, in May, 1930. The history and development of this movement in Armour and Company really began several years prior to this, for at that time Claude R. Orchard, then personnel director at the Omaha plant, became interested in the credit union idea and its possibilities. He saw in it a possible solution for such evils as the wage garnishee, he also saw in it an effective weapon against the workings of loan sharks with their prohibitive interest rates and the consequent bad effect on the morale of those in their power.

In order to further lay the foundation for this story we might say here and now that the original Armour credit union man, the one to whom goes much of the credit for our present status, is this same Claude R. Orchard, now director of the Credit Union Section of the Farm Credit Administration in Washington.

Perhaps Mr. Orchard himself would be better qualified to tell the story of Armour credit unions, at least that portion which pertains to its organization and early history. It was he who carried the torch to the points at which they now operate and started them off, counseled and advised them and no one knows better than he, the history of this movement in Armour and Company. It was through his interest, his enthusiasm and his efforts that credit unions came to Armour and Company when they did.

When the Omaha unit was organized the company looked upon the venture with some apprehension, but as the months went by and interest in the movement grew among the employees, our fears were allayed. In fact, we were quite impressed to observe our packing house employees function as bankers and do a mighty good job of it. The credit union in Omaha grew in membership and in financial stability. Employees quickly availed themselves of the opportunities for systematic saving and for convenient credit facilities, and the payment of its

first dividend insured its permanent popularity.

Today the Armour Omaha Credit Union, or the Armour Employees' Cooperative Credit Association as it is properly known, has a membership very close to 1,500 employees who own shares and deposits, amounting to approximately \$100,000. The total loans made by this credit union to date are in excess of 8,000 and the total amount of money loaned up to September 30, this year, was \$645,000. The growth of this, the first Armour credit union, is typical of the ninety other Armour units now operating throughout the country.

Six months after the credit union in Omaha was considered past the experimental stage, permission was given Mr. Orchard to organize one at the company's plant at Sioux City, Iowa. Here, too, the same procedure was observed—modest beginning but gathering momentum until this plant with about 1,000 employees now lists 530 of them as credit union

There is no more imposing and important development of credit unions within a single industry than that which has in recent years progressed so rapidly in the packing house industry. Our pioneer credit union of the sort was organized within Armour and Company at Omaha. From this pioneering experiment developed a splendid group of almost a hundred credit unions within this great industry which credit unions have already loaned more than eight million dollars to their members. This credit union also contributed to the credit union movement Claude R. Orchard, who now manages the Federal Credit Union Section. From it came the spread of the credit union plan throughout the whole industry. To no one individual is this more directly traceable than to the author of this article—Harvey G. Ellerd, Director of Personnel of Armour & Company. Mr. Ellerd is of the top flight of personnel officers in major industrial groups; he is a good friend of the credit union movement and we are delighted to have this valuable contribution to the Thanksgiving BRIDGE. We have much to be thankful for that the credit union movement has attracted the support of men of the calibre of Harvey Ellerd.—Editor.

members, owning shares amounting to \$30,000. Since it was organized in January, 1931, \$125,000 has been loaned to its members.

During this same year, 1931, thirteen more credit unions were started at other Armour plants, branches and subsidiaries. Among these the Chicago Plant Credit Union on September 30, 1936, had 3,500 members, \$375,000 in shares and deposits, and since it was organized in February, 1931, it has made 60,000 loans for a total of over \$4,300,000.

From 1931 on, the credit union movement in Armour and Company grew in leaps and bounds, spreading from plants and branches to produce houses, creameries, soap works, oil mills, condenseries, tanneries and, in fact, to every division of the company. Armour employees developed an enthusiasm for this plan of mutual helpfulness that shows no lessening as far as we have been able to observe.

The company took a passive attitude during the establishment of these credit unions, merely giving permission to Claude Orchard to visit such Armour points around the country as had indicated interest in the movement, or which we thought might be responsive to the credit union idea. There was never any pressure exerted as far as Armour and Company was concerned in the establishment of any of our units. The simplicity of the credit union plan itself appealed to every one to whom it was explained.

The most recent figures which we have from all units of the company show that there are credit unions operating at 22 of the company's packing plants, 39 at branch houses, 28 at subsidiaries of the company and one in the Chicago general office. The total number of members in these 90 units was 24,686 as of July 31, 1936. The total shares and deposits to the credit of these members exceeded \$1,500,000 and since the movement started in our Omaha plant in May, 1930, more than \$9,000,000 had been loaned back to the members in about 140,000 individual loans.

We are satisfied from our experience that the credit union movement is no longer an experiment, but has a definite

(Continued on page 25)



SUSPENSION BRIDGES

by C. H. STEVENS

IT MIGHT be said that the fine threads of economic destiny are supported on heights of effort and anchored in masses of sound judgment, thus forming the cables of life's suspension bridge. Also, it might be said that the longer the span the larger the number of threads which must be supported at greater heights in order to provide deeper sags of the curve to lessen the stress in these groups of

threads. An effort has thus been made to draw an analogy to the main cables of suspension bridges.

These cables of parallel wire for the larger suspension bridges are composed of many wires usually about the size of an ordinary pencil, securely wrapped to form a round cable and supported on towers of sufficient height to give depth to the catenary curve. Up to certain reasonable limits the greater the depth of this curve, or the sag as it is most usually called, the less the tension will be in

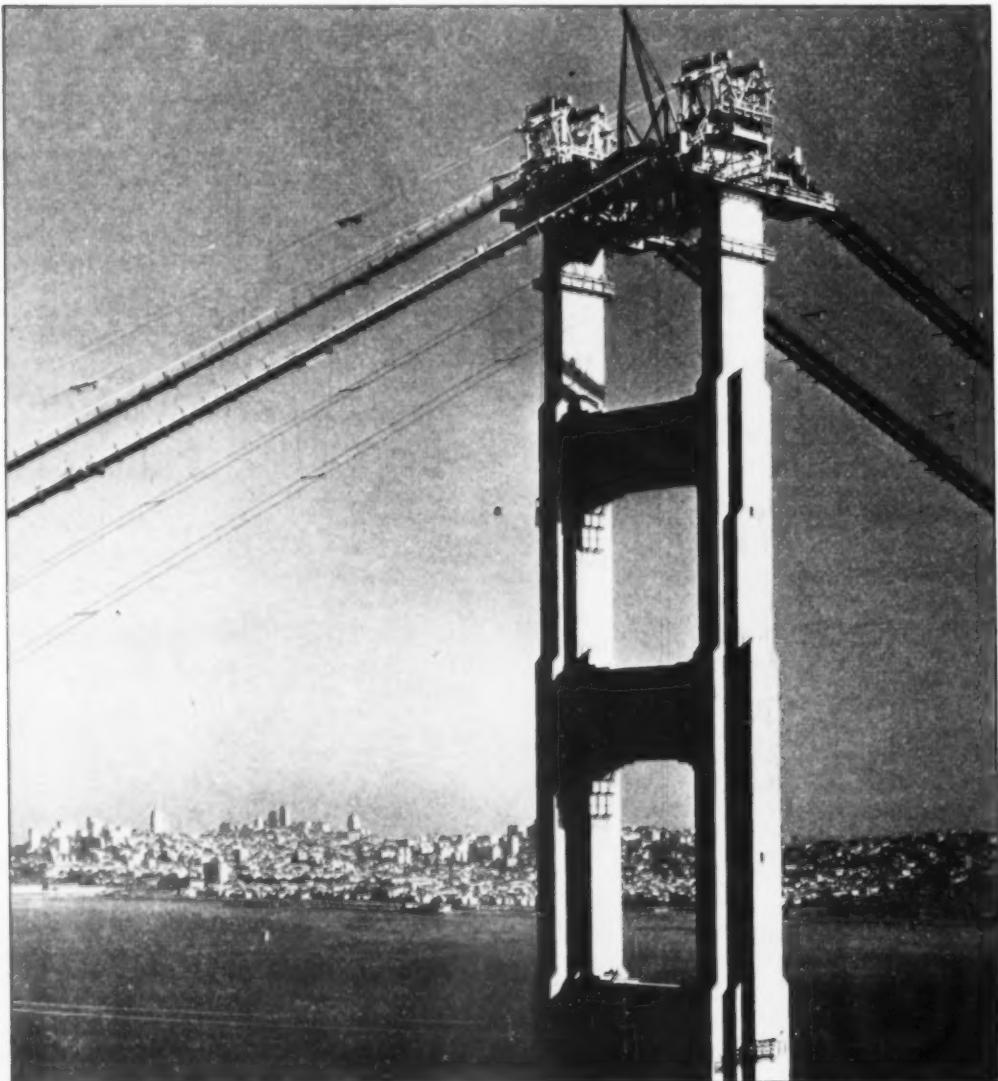
the wires. This tension or load in the wires is carried back over the supporting towers down to anchorages keyed to the earth itself. Such a passing glimpse of suspension bridge cable theory naturally requires further explanation; however, a part of the story of the development of the suspension bridge in our country should be of more interest.

It was in the first half of the nineteenth century that an engineer coming from Germany recently, settled in western Pennsylvania, decided that he would supplement his farm earnings with any work of an engineering nature that could be found near his locality. The canal companies in the vicinity brought their boats built in sections to the foot of a mountain, dismantled the sections, loaded them on a portage railroad, then pulled them to the top of the mountain, and lowered them to another canal on the opposite side. Big clumsy hemp ropes wound on a windlass were used to pull the portage cars, and the severe conditions of load and wear required replacement of the hemp ropes at short intervals. John A. Roebling, the young engineer, was of the opinion that if a rope could be made of wire flexible enough to wind on a windlass, it ought to cost little more than a hemp cable and would possess greater tensile strength with one-fourth the diameter. Moreover, it would outlast a dozen ropes made of vegetable fiber. No one in America had ever made a wire rope, nor had ever seen one.

Roebling, however, recalled an item in a periodical sent from his native city of Mulhausen, Germany, to the effect that a German inventor had produced a wire rope. He built a rope walk on his farm at Saxonburg, Pennsylvania, purchased a quantity of wire deemed suitable for this purpose and actually fabricated a wire rope that surprised his most buoyant expectations. This achievement led to other problems to be solved in connection with the canals. It seemed that the canals, which in reality are artificial rivers, must sometimes cross natural rivers and at such points they became wooden aqueducts. Roebling made careful plans and calculations as to how these wooden aqueducts could be supported by wire cables instead of the heavy piers and posts that obstructed stream flow and were often carried away by flood and ice.

It was in 1844 that he built his first suspension aqueduct. This was followed by several other aqueducts and in 1854 the apparently impossible feat of constructing a combination railroad and highway bridge across the Niagara Falls rapids was accomplished by Roebling.

The years that followed found many other suspension bridges designed and built by this engineer. He had meanwhile organized his company and moved to



From the Golden Gate Bridge Tower one has an exceptionally fine view of San Francisco. This picture also illustrates the catwalks referred to in Mr. Steven's article. Vast bridge projects are now going forward in the United States.

Trenton, New Jersey, where the business is still carried on today. Mr. Roebling designed and built the Cincinnati Bridge which was opened to traffic in 1867 and which was the longest in the world at that time.

The final achievement of this pioneer of suspension bridges was the designing and planning of the famous Brooklyn Bridge. The main span was 1595.5 feet and presented many new problems. It was while fixing the location for the Brooklyn tower that John Roebling met with the accident that caused his death. But his work had been well done, and his son and associate, Col. Washington A. Roebling, took up without delay the execution of the plans he had helped create.

The suspension bridges of the twentieth century still utilize many basic principles of cable construction and wire fabrication initiated by the elder Roeblings. These twentieth century bridges all have their particular points of interest; however, time and space limit us to the two that are the heaviest and longest single spans. Mention of the magnitude of these modern superlative suspension bridges is not meant to imply that there are no relatively smaller bridges of this type. In fact, modern developments have shown the suspension bridge with twisted wire strands desirable for the shorter spans.

The George Washington Bridge over the Hudson River at New York City can still be considered as the largest or heaviest suspension bridge from the standpoint of the amount of wire in its four 36 inch diameter cables. If the approximately 56,000,000 pounds of wire in its cables could be placed end on end there would be enough length to encircle the world more than four times. It has a main span over the water of 3500 feet. Each of the galvanized steel wires is .196 inches in diameter and really has no definite end in the cables for the first end of the wire is connected to the last end of a convenient group of these wires, there being a definite number of groups to each cable. Each group or strand, as it is called, fits over a piece of steel similar in shape to a horse shoe at each anchor. The wires in the strand groups and the groups themselves lay side by side in the cables and are not twisted as in the case of the factory fabricated cables of twisted wire used on the smaller bridges.

The suspension bridge being built at the present over the famous Golden Gate at San Francisco has a main span of 4200 feet, the longest in the world. Its two

cables are 36½ inches in diameter and contain about 43,000,000 pounds of the same size wire as used for the George Washington Bridge. In order to build such cables it is necessary to first erect working platforms or catwalks as they are sometimes called and these catwalks hang underneath the cables throughout their lengths between towers over the main span and from the towers to anchorages on the side spans.

The wires are laid out across the spans by traveling wheels that carry loops of wires. This operation is generally known as spinning and the wheels are called spinning wheels. At the present time the Golden Gate Bridge cables have been completed and the vertical hangers or suspenders of wire rope are being hung in place over the cables. The roadway steel will be connected to these suspenders and it is expected that the bridge will be opened to traffic during the spring of 1937.

To complete the analogy offered in the beginning, it might be said that the beauty and strength of life's twilight years depend upon how carefully the initial plans are made and executed. It has been proven by the tests of time that the beautiful suspension bridges, so carefully designed and executed by our pioneer en-

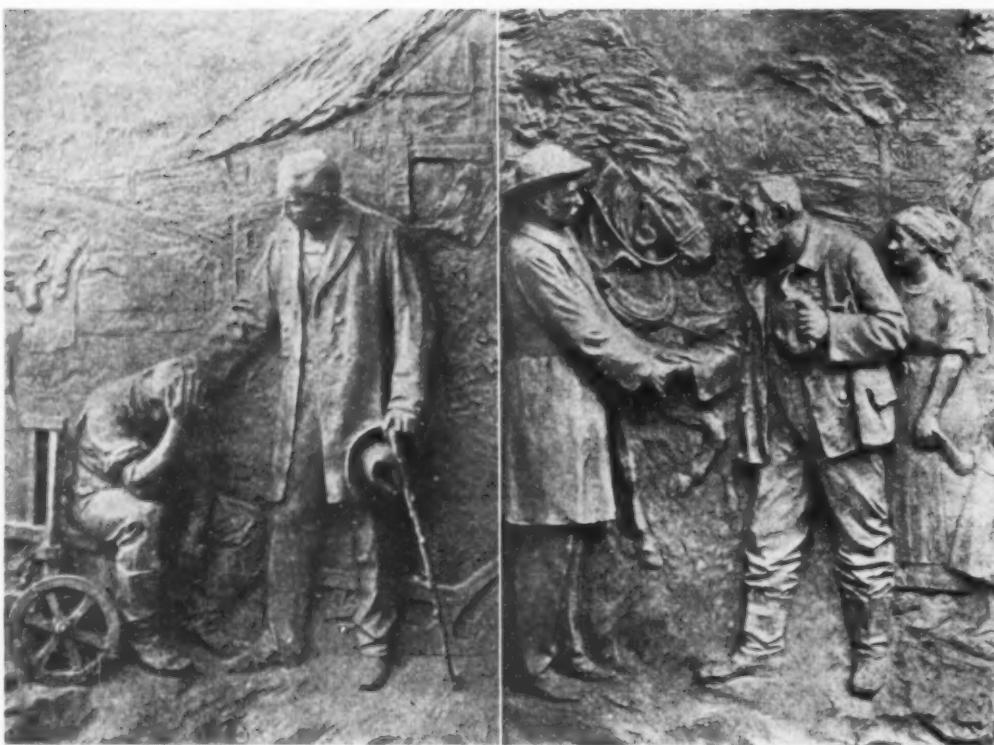
"We also had a lot to do with fabricating the George Washington Bridge," writes Mr. Stevens. These modern bridges are interesting in comparison with the Brooklyn Bridge shown opposite, still one of the greatest spans in the world.



gineers, have been capable of still carrying the increased heavy traffic loads of modern motor and rail traffic. The Brooklyn Bridge is an outstanding example of this. It, therefore, follows that our modern suspension bridges will also be called upon to carry the traffic of the future and who can definitely say what kind of traffic it will be.

Why BRIDGE?

SOMEONE wrote in the other day asking: "Why did you name the credit union publication—the BRIDGE?" Twelve years ago in the relatively early days of the Credit Union National Extension Bureau, we had a publication which came out occasionally, a four sheet devoted to credit union promotion and we called it 'The BRIDGE'. So we christened this sheet the BRIDGE largely for historical reasons. There was however a reason behind the original choice. I quote from the announcement of the first BRIDGE—June, 1934. "Why the name—the BRIDGE? Alphonse Desjardine, great disciple of Raiffeisen and pioneer in the development of cooperative banking in North America, said in his book: 'Success for the young democracies of this continent depends upon the prosperity and worth of life to the millions of workingmen who compose them'. The paramount function of any democracy is to equalize the opportunity of those people who constitute it. The credit union is in very fact—a bridge; it may be the bridge over which the tenant farmer travels the wide gap that separates him from ownership of the soil; it may be the way that opens the great land of opportunity to the wage worker who finds his savings the 'open sesame' to broader possibilities for himself and his family. If credit unions, when logically developed on the broadest scale, educate great numbers of our people in the management and control of money; if they result in a better citizenship; if they serve as a great practical Americanization process—the credit union system will prove to be a bridge—over which, as a people, we may travel to a more perfect, a sound and a permanent democracy. Casting round for a name for this record of credit union progress—why not—The BRIDGE!" That's still a pretty good explanation. And it is our purpose to make the BRIDGE the really national magazine of the million odd credit union members. We want your contributions.



What About Our Ancestors

IT CANNOT be said that because a thing is old it is good. Some things mellow with age; others deteriorate. But it is a fact that many good folks think almost exclusively along lines of precedent. Before they accept a thing they want to be reliably informed that it is nothing strange and new. That sort of thinking, of course, religiously applied from the first dawn would have resulted in leaving things the way they were when man was probably some sort of wiggling thing, squirming through the pre-historic mud.

It is, however, pleasant to think occasionally about ones ancestors just so long as one does not take that sort of thinking too seriously. Greatness does not seem to depend on ones forebears, as witness Lincoln. Yet ancestry may not be too much of a handicap—as witness Washington. I have heard a well informed man say that "the only aristocracy in America should be an aristocracy of achievement," and, personally, I subscribe to that theory—but it is interesting just the same to go "back home" in the credit union movement and visit for a few minutes with memories of the past. After all, the very fact that the credit union is a very ancient and an equally honorable institution with a most respectable family tree will help us a bit with those who are fearful of innovations. Particularly for some who are apt to "view with alarm" this "new and untried doctrine" of cooperative credit, it will be restful and pacifying that the credit union is older than your grandmother, a device tried out in many countries with uniform success over a period of many years and as conservative as an old shoe.

One for Mr. Ripley

And for those of us who feel that there are better ways of doing things which have been demonstrated in the past to work badly and who believe that the greatest and finest era in our American life will come when all men are created equal and when institutions prevail which really are of the people and for the people and by the people—there is solace in a rare discovery which I made in the town records of a small New England village where I spent many happy years. I was going through the records of the town simply for what I might learn of the thinking of long ago and I came across a petition from a few townsmen directed to the Board of Selectmen. These extreme radicals wanted the use of the town hall to discuss the then new subject of "railroads." The petition was denied and there, written in the records, is the reason for the decision. "Had God intended man to rush about at the rate of twelve miles an hour, God would have so provided." That, Mr. Ripley, is one for the book—believe it or not.

So let's take a look at our ancestors, for we have real reason to be very proud of them. There was much writing about cooperative credit and much experimentation prior to the time when, in Germany, there lived the two men to whom the world owes the development of the credit union. By an interesting coincidence these men lived at approximately the same time. More or less conscious of each other's work, one confined his efforts mostly to the development of cooperative credit within urban groups and the other within the rural areas. Frederick William Henry Raiffeisen was born on March 30,

1819, at Hamm in the Rhine Province, Germany, and died on March 13, 1888, at Heddesdorf. Herman Schulze first saw the light of day at Delitzsch, a small town in Prussian Saxony, on August 29, 1808, and he died at Potsdam on April 29, 1883.

In a later issue of the BRIDGE an attempt will be made to present the high points in the life of Schulze-Delitsch (as Schulze came to be known after he had added to his name the designation of the place of his birth in order to differentiate himself from the quite large family of Schulze in Germany, a name which at the time was quite common). In this preliminary article we will take a bit of a trip up the Rhine to Neuwied to visit with the memory of Raiffeisen.

The Rhine trip from—let us say Wiesbaden to Cologne—is one of the feature trips incidental to more first trips to Europe probably than almost any other side expedition.

It is deservedly popular because the Rhine is so alive with interest. In the first place, the active life of this great water way is in itself most interesting; the boat service is excellent and the trip is constantly interrupted by stops here and there with limitless panorama of the life of German cities and towns and much coming and going of people, the constant meeting of shipping—great barges, pleasure yachts, and if the trip be taken in the summer, the German youth and the German maid on the river in boats large and small, following religiously the cult which requires of the German that he be in good physical condition, a most commendable cult indeed which, under Hitler, has become almost a mania as Germany relentlessly prepares for the next war.

And if there were no shipping and no little towns and no cities to glimpse along the way, there are so many things, so many historic places on both sides of the Rhine that one is kept constantly alert and must make the trip several times to appreciate them all. I have another article in preparation which confines itself to this trip from the standpoint of the shores of the Rhine and their crowded story—but for now we must get off the ship at Neuwied and get home—back home to the place of our true origin.

Weisbaden to Cologne

We had taken a boat that morning at the great German watering resort, Wiesbaden (where one goes to enjoy the parks, the band concerts and to "take the waters") for Cologne and were compelled to transfer at Coblenz to a smaller boat which would make the Neuwied stop. All of these Rhine steamers, great and small, are immaculate, most efficiently operated, with fine service throughout. We were about the only folks on board for the Neuwied stop as most of the passengers were young folks bent on a summer holiday which would include the Turnverein Fest at Cologne about to be celebrated. When we unloaded our baggage on the little dock at Neuwied, our first job was to find someone who spoke English as none of us spoke German. There

were some prehistoric taxis at the dock but "no English." We did, however, have the pass word—and that was "Raiffeisen." Neuwied is his birthplace and there is a monument to Raiffeisen in front of the central printing establishment of the then more than thirty thousand German Raiffeisen Banks or credit unions, which printing unit is located very close to the house where Raiffeisen lived and from which he directed the national credit union development in Germany during the latter years of his life.

By constant repetition of the one word "Raiffeisen" and much business of pointing up into the air and then looking as one looks when one is looking up at a monument, we got the notion across to one of the drivers, and he motioned for us to pile in which we did, leaving our baggage at the dock where we would shortly re-embark for Cologne.

Sure enough—he knew where we wanted to go and landed us right in front of the Raiffeisen monument. I have always been impressed by the fact that this monument, located in such a little town that is off the main line of the larger Rhine steamers, a memorial, which probably most Germans do not know exists, to a man who is known only to the Germans who have operated credit unions, is the most important bit of monumentation in Germany. In Berlin, for example, particularly along the famous way "Unter den Linden" are the memorials to the German warriors. I understand that one particularly choice location had been reserved by the German Emperor William to commemorate his victory in the World War. This will probably be now used to glorify Hitler unless perchance he should lose the next World War!

It is only here in the little town of Neuwied did I find a memorial to a man of peace—a hero who gave a long, splendid life to the simple business of improving the lot of average people of small resources. Raiffeisen was a builder—not a destroyer.

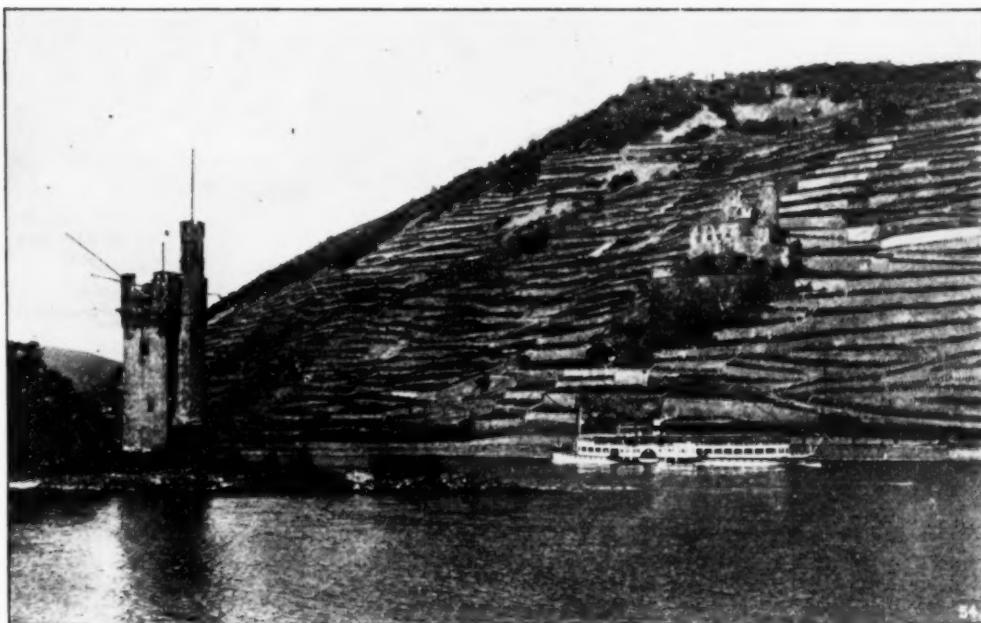
Raiffeisen's Influence

And it is an interesting fact that the influence of this man's work spread to all corners of the world. There are over



Our guide at Neuwied is the third from the left.

15,000 Raiffeisen banks in Japan; we owe our development primarily to his inspiration, and there has been a penetration of cooperative credit in countries as far apart as India and Nova Scotia—as



We were much interested in the Mouse Tower at Bingen on the Rhine

Switzerland and Palestine. What the present German dictatorship has done to the credit unions in that country is difficult to determine. I have been informed that the credit unions have been reorganized under government control and direction and also that they have been completely liquidated or are in process of liquidation. *It is well for us in the United States to remember that dictatorship spells the end of cooperative effort.*

Let's never forget that!

But the principle of cooperative credit in Germany will outlive Hitler. It is immortal—that principle; in Germany it has survived great periods of economic distress, and my guess is that Raiffeisen will be a great living influence in Germany long after Hitler has had his little day and gone the way of all dictators.

The Central Printing Plant

We visited the central printing plant of the German societies alongside the monument. It does what the CUNA Supply Cooperative is beginning to do—publishes credit union bookkeeping forms, the provincial and national magazines and newspapers of the cooperative credit movement and maintains in addition the sort of central purchasing agency which we are developing at Raiffeisen House and will now have shortly in operation.

It was there that I got a little clock which I found I could only wind (and it had to be wound every twenty-four hours) by inserting a quarter of a dollar. It made me save nearly a hundred dollars extra a year. Devices of this sort will also soon be a part of the credit union stock in trade of the CUNA Supply Cooperative.

We found a printing plant with seventeen presses, including some up-to-date linotype machines, which will give you an idea of what the CUNA Supply must come to some time. We were most cordially received; there is (another passing thought) a commonality of thought, purpose and inspiration among cooperators

which also will one day be organized—that man may live at peace with his brother.

Incidentally there are two bas-reliefs on that Raiffeisen monument, which we are reproducing herewith because we shall shortly be in position to offer excellent prints of them for use in credit union offices. One of these bas-reliefs depicts Raiffeisen visiting with a group of very discouraged German farmers prior to the organization by him of a credit union for them, and the other shows the same group later on when Raiffeisen is revisiting these farmers who are now operating a successful credit union.

We had difficulty next getting across to our mentor and guide (the taxi driver aforesaid) the fact that we were anxious to visit another shrine, namely the Raiffeisen grave in the local cemetery. This took much business of pantomime worthy of a much greater mimic than I am, but we finally made it and he drove us out a bit to the cemetery, and there we found the very humble last resting place of this great man to whom we credit unionists in America owe so much.

And About Monuments

It is interesting how prone we are to raise monuments to the heroes of wars; If all the generals and admirals and kings on prancing horses could be mobilized from their pedestals the world over—what a formidable army it would make! There is enough stone in these monuments for a thousand pyramids and enough iron to make the skeleton for the Tower of Babel. Yet Raiffeisen did more for the people of Germany—nay, more for you and for me—than all of these soldiers put together if we except just a few of them who, like Washington, fought for the establishment of the rights of the average man. Raiffeisen—of middle age, homely, half blind, depending on his daughter Amelia (who is bur-

(Continued on page 17)

Can It Be Possible?

Recently the Boston Herald commented editorially on some recent utterances of H. G. Wells relative to world peace. Wells is one of those uncomfortable men who have the bad habit of foretelling disaster with accuracy. Fortunately we seem always to have prophets—men who have an uncanny ability to analyze the times and the trend of human events and to tell us what the future has in store. Unfortunately we rarely have the good sense to give them heed. Edward A. Filene is such a man. Could he have induced his associates in big business to listen to his writings and speeches of a decade ago and to do the things which the times and the circumstances called upon prudent men to do when properly warned—much of this terrible depression through which we have been wallowing could have been averted. So with Wells who now tells us that "we want a new practical world religion" which will transcend national boundaries and include all people who desire a world peace and believe in the federated trade. He thinks (to quote the Herald) "that if enough people embrace this religion it will be possible to break down national antagonisms in various regions and that as the value of working together, free trade and open communication become evident these regional groups will unite in one world family." The Herald agrees that "it is impossible to deny Wells' major premise that a catastrophic war seems imminent and that the world, as we know it today, will probably not survive it. One would like to possess his indestructible optimism and to share his opinion that *enough intelligent people exist in the world to guide it safely through its present purgatory.*"

That doesn't present a very pretty picture—the opinion of a great historian and the most pre-eminent thinker of our time, pointing to a solution which seems impossible of accomplishment to a great newspaper which admits a "present purgatory" and that "a catastrophic war seems imminent." What can we do about it? A noted Englishman expresses the opinion (not Wells in this case) that Germany will within five years conquer the world. He bases that opinion, not on the ascendancy of Hitler—but on the intention of the German people as a unit to seek world power, the restoration of her colonies and the punishment of all concerned in the outcome of the World War. In Italy Mussolini makes strong, bombastic speeches urging more babies that there may be larger armies which will go forth as the Rome of old to conquer the world. In Japan a military nation led by an Emperor who is God rationalizes the chaos in international affairs first to take Manchuria and more recently to take what of China Japan wants. And every nation, including our own, arms to the teeth in preparation for the War to End Civilization.

The lesson of the World War was that in modern warfare everyone loses. The

hope is in the essentially spiritual side of the human being who, as he has evolved from the mud and the slime of his prehistoric origins, has been in a constant process of getting his head up out of the mud and his eyes up to the heavens. *There is a spiritual side of the human race. It is unorganized.* It exists just the same. We have predicated our world on the capitalization of the wrong interpretation of the competitive instinct. We have operated on the basis that "the race is to the swift and the devil take the hindmost." We have given the first prize to the one who could take the most and give the least.

Take that motive out and substitute in our great industries, as many of the more enlightened industrialists are doing, the motive of greater service and get the notion once and for all that the Carpenter was not talking nonsense when he preached of the brotherhood of man—and the organization of the spiritual forces of the world will not only save us from chaos but it will build a better world than we have ever dreamed of.

But it is a race—possibly the competitors in it are Chaos and Intelligence.

Debt Consolidation

This interesting case of debt settlement by a credit union through consolidation and adjustment is clipped from the August issue of the Ohio Credit Union League News.

"A member of this particular credit union came to the treasurer explaining that his wages were constantly being garnished and that he had been advised by his foreman that after one more garnishee the foreman had orders to discharge him. Investigation later proved this statement true. Further, he advised he intended to take bankruptcy. The treasurer on questioning this member found he owed twenty different creditors in the amount of \$803.63. The treasurer secured a list of these creditors, went to each one and asked the amount for which they would settle the bill. To make a long story short, following is the result of this negotiation:

| No. Debts | Original | Amount | | |
|-------------|----------|--------|--------|-------|
| | | Bills | For | Saved |
| 3 Grocers | 171.95 | 72.40 | 99.55 | |
| 7 Doctors | 281.00 | 75.25 | 205.75 | |
| 3 Hospitals | 139.45 | 45.25 | 94.20 | |
| 2 Rent | 42.75 | 13.50 | 29.25 | |
| 5 Others | 168.58 | 129.28 | 39.20 | |
| 20 | 803.63 | 335.68 | 467.95 | |

From the above it will be noted that \$467.95 was saved the member, and in addition, garnishments have stopped, therefore the fear of dismissal no longer stands over the member's head. Bankruptcy has been avoided and everyone is satisfied."

Nonchalant

A backwoods woman, the soles of whose feet had been toughened by a lifetime of shoelessness, was standing in front of her cabin fireplace one day when her husband addressed her:



"You'd better move your foot a mite, maw; you're standin' on a live coal."

She said, nonchalantly: "Which foot, paw?"

Snatched from the Iowa League News.

About Advertising

WE HAVE been asked—"why no appreciable advertising to date?" The answer is to be found in the fact that until we have 25,000 subscribers it would be impossible to carry forward successfully even a preliminary advertising campaign. We have just so much energy and it seems best to apply this energy first to getting out a magazine and securing the needed subscriptions. Our advertising eventually must be national advertising. Further it must be a new sort of advertising; when we go after advertising on the supposition that the advertising program will take the form of a three fold agreement between the BRIDGE, the BRIDGE reader and the advertiser. We must confine ourselves to the sort of advertising which we can justify to BRIDGE readers. CUNA is very jealous of its services. CUNA is a service organization—to help credit union members. We must never permit an advertisement in the BRIDGE which an honest judge would find injurious to our readers. Our advertising must be based on the supposition that the BRIDGE will keep the faith with its subscribers. If we do this honestly and we get the subscribers we need, eventually we can sell BRIDGE advertising because the advertiser who makes the BRIDGE will be honored in the process. It will be eventually a proud boast for an advertiser to be able to say that the BRIDGE carries his advertisements. *And there is plenty of good honest advertising of honest goods. When we get at it we hope to be able to get the sort of advertising we can back up.* You will hear more of that later. Meantime—we solicit your active participation in the effort to get the BRIDGE subscription list up to the point where such an advertising campaign will be possible.

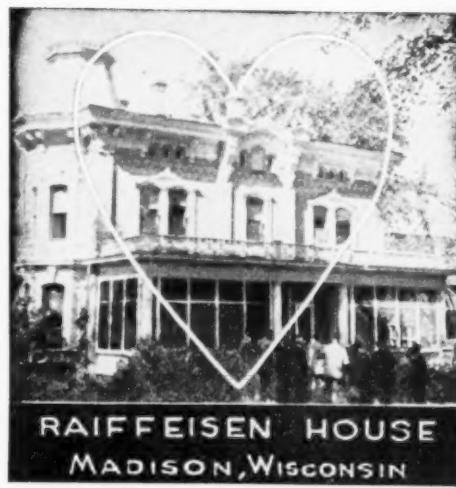
**PATRONIZE
BRIDGE ADVERTISERS**

THE BRIDGE



The Heart of the Credit Union

In this section you will find those items which are designed to assist in credit union organization and operation and the promotion of our common cause.



Helping Your Members

WE CREDIT unionists are vitally interested in prosperity—fair work (and plenty of it) at a fair wage. We are interested in high standards of living. We know now that what we produce in the field and in the factory and what we sell in the store, all of these things and all of the services which it is our job to render must be bought—that trade may go on and that factories may be kept busy and that farms may prosper. We are beginning to understand the common interest of employer and of employee. Close up the automobile industry, for example, and hundreds of thousands of workers are without employment. Stop the progress of manufacture of the things which make life easier and more worth living—and the very process of destroying trade destroys wages. The worker (the average credit union member) works and he earns and he buys and that creates a demand for the things he makes.

Therefore we credit union credit committees must increasingly facilitate the purchase of those things reasonably necessary both that we may have a fair standard of living and that the wheels may go round. When I can afford to eat two oranges instead of one for breakfast—I add to the possibility of prosperity among those who grow oranges; when I can drink all the milk I want—the dairy industry does its part in the promotion of prosperity and when I buy the things American industry can produce—I am working for a happier country for all of us. Therefore credit union credit committees must make credit a more and more pliable tool. If your member wants to buy a car and you can help him to buy it and to save money in the process in finance charges, etc.,—help him if the car is reasonably within his means. If the cost of a chattel mortgage is too great (that is, the cost of recording it), take endorsements or possibly a bill of sale of the car until it is paid for.

And be liberal—or at least rational about it. Some one inquired recently as to whether a credit committee did right in rejecting a loan of this sort; the member wanted to buy a new car for

Thankful? I'll Tell the World!

Someone asked me the other day—“I wonder why right now we should be thankful?” We talked it over and I have been thinking of his question ever since. I have been wondering how any sane man with anything at all except a vacuum between the bridge of his nose and the top of his skull could ever ask such a question this November of the year A. D. 1936!

Why be thankful? We are citizens of a great nation—the greatest on earth—which not only is at peace with the world but seeks only the peace of the world. While other nations talk war and prepare for war and actually go to war—we strive only for peace. We envy no nation; we crave nothing that any other nation has; we want no other man's goods, nor his lands; we are at peace and we are going to remain at peace with the world. That's enough cause of thankfulness.

Why be thankful? The election is over. Newspapers and magazines have become newspapers and magazines again. We have done what has been done so many times past in our history to prove the worth of democracy; we have come through the bitterness of one of the meanest campaigns in history and without becoming embittered. All of the terrible things which were to happen if so and so resulted from the ballot, are now but unpleasant memories. We wonder how we could have had such silly notions. We have told our President that we are grateful for his leadership, that we have confidence in it, that we want more of it. We have killed off more foolishisms in this campaign than the American people were ever before confronted with at one time. We have proved that the average man and the average woman respect their ballot and will make the best use of it they know how.

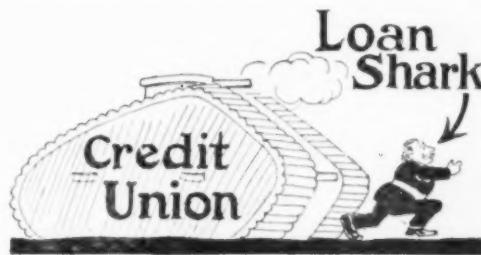
I feel sure that the next election will be much more intelligently fought out on issues. We have demonstrated again the durability of democracy. We have given the laugh to the dictators of the old world who had concluded “democracy won't work in practice.”

Thankful? Less unemployment; smoke from a hundred thousand factory chimneys; wages going up; “dividends” no longer a forgotten word; hope where there was despair; courage where there was faltering; and Christmas coming, the sort of a Christmas we haven't had in prospect for many long years! *Thankful is the word.*

\$600 and had an allowance on his old car of \$300. He offered a chattel mortgage on the new car and the credit committee turned him down. That credit union needs a new credit committee.

The Board of Directors has the power to make general rules governing the purchase of cars and there should be rules which facilitate rather than retard this business. This goes for everything the member now buys on time—from pants to automobiles and all through the classification which includes radios, electrical housekeeping devices, etc., etc. That is our normal field and the *only test is—will the cash price of the thing plus the credit union interest show a saving to the member over the installment or time price and the carrying charge.* While we must also look at the member's financial state to be sure we don't overload him, we should err on the side of liberality. It's up to us to decide whether America is to have periodic depressions; it can be avoided by eliminating the economic maladjustments which take the worker's money away from him and give him an inadequate return and by substituting instead the certainty that he will get the *maximum purchasing power out of his every dollar.* We are on the way up. Business is better. Our job is to make it *permanently better.*

Help your members to buy things—and err if you must err—on the side of liberality. The average American worker is honest. We have proved that during the worst depression in history. I recall one bank Commissioner who chided a credit union treasurer who boasted “we have never had a bad loan.” “Probably, then,” he (the Commissioner) said, “you run a poor credit union. You have a guaranty or a reserve fund so that you can take a chance when it is good reasoning to take a chance. Err on the side of liberality.”



Thrift

THREE MEN were arguing about thrift and each of them defined it. Said Mr. Jones: "Thrift is the process of spending as little as I can. I buy as little as I can. I always hunt for bargains. I have no car. I live in the cheapest tenement I can find. Because I lost a lot when the banks failed in 1929 I keep my money hid. I never married because it costs money to be married. I never give to charity; so long as I can take care of myself—let everyone else go and do likewise. I can wear a suit longer than anyone else I know and I always get a two pants suit! I carefully eliminate from my diet everything but the least costly foods. I don't go to church because they have such a bad habit in churches of passing the box. In fact—I am really and truly thrifty."

Said Mr. Smith: "Well, I wouldn't call that 'thrift'; you're a miser, if you ask me. I trust the banks. It's true I have no automobile although I have a fairly good job and my wife likes it when a neighbor takes us out. We live fairly well but my wife still uses the good old broom and the equally useful



and durable wash tub and scrubbing board. I go to the movies twice a year—on Thanksgiving and on Christmas day—and I go to church and give—a little. It seems to me that the way to save is to earn as much as I can and spend as little as I can, keeping my family respectably but not going in much for these new fangled ideas which cost money. I work where they make electric kitchen devices; they're nice but they cost money and the power to run 'em counts up. We have electric lights—but we stop right there; I'd get a good second hand car if the gas didn't cost so much—not to mention the oil. I think I'm thrifty but I'm no miser—no sir—being thrifty is simply the business of earning all you can and spending as little as possible, getting as much as you can on your savings and watching out for these new fangled devices which look so good but cost so much."

The third man was Mr. Green. "You're both all wet," said he. "I work in a garage and I'm not so much of a fool that I do not appreciate that, able to own a car, I should have a car and that it is the folks who think that way who make it possible for me to own a half interest in the very fine little garage where I earn a good living. I buy my wife an electric washing machine because of two

reasons. First there is no more sense in my wife drudging over a wash tub than there would be in me walking to town for something I need when there is a good comfortable bus line running right past my garage. Second, my brother works for a company in town which makes washing machines and I am interested to see to it that he keeps his job.

"You see, I figure it this way. Prosperity (and that's what my garage wants) depends on the American worker buying what he makes and therefore creating a market for goods. If every man and every woman who earns a wage at the end of this week should burn their earnings in their respective back yards, we would go into a financial tail spin—all of us—which would make the last depression look, by comparison, like a Sunday school picnic with free ice cream.

"If I don't set as good a table as I can and give my wife and kids the kind of food that it's fun to eat—the farmer and the fruit grower and the dairyman go into a decline—just because I haven't sense enough to realize that, if they do, my garage will go blooey! I don't grouch about taxes; when times are rotten I have got to chip in of my surplus so other fellers won't starve. That's plain sense and also good religion. I chip in at church because my minister must get a living so he can buy things and bring his flivver over to my garage to be doctored up and filled with gas and oil. I take my kids and my better half to the show often because we get fun out of it—laughs and new interests—and besides there are lots of good, hard working folks who depend on the theatrical business for their ability to buy cars and some of 'em come to my garage.

I carry life insurance so that my family will be protected and I believe in old age and unemployment insurance because the business of living includes old age and we must provide for it and it seems to include depressions and so long as they must come and until we are wise enough to learn how to eliminate 'em, we must guard against them. There never was a miser who was a good citizen and you fellers who are so 'thrifty' don't know the meaning of the word. To be thrifty today means to live and to buy things and to make businesses and farms work to capacity so as to create the highest possible standards of living. When the whole world lives the way it can today if we all observe a few new rules in this game of life—there will never be any possibility of depression. You can thrifitly save yourself out of a job today; don't forget that!"

Which of the three was right?

Discussion is invited. We dare ya!!!



News of the Founders' Club

THIS is the quiet lull before an anticipated storm. Now that the election is over and all the boogey men have been put to bed and all of the false issues have been put away in camphor to await another election we are all going to get busy and put the credit union organization contest across. When we do—there will be enlistments a'plenty in the Founders' Club. Meantime for those who do not belong we urge that serious attention be given to the contest.

There are forty cash prizes and you will note elsewhere that we have advanced the date a full month because of the slow start. The prizes total \$1250 with additional prizes in equal amount to your State League so—STEP ON THE GAS—for the money will come in handy and some one is going to win it.

Meantime we have a relatively small class of three to present, bringing our high number up to 309. No. 307 goes to a credit union veteran from Kansas City, Missouri, George S. Conover, who spent some time with us recently in Madison. He belongs to the Harmony Credit Union, is a credit union supervisor in Missouri, and comes in by way of the U. N. B. Credit Union, also of Kansas City. Welcome—George—you should have been in long ago. To H. B. Askew of the Ogden Government Employees Credit Union of Ogden, Utah (one of Karl Little's credit union buddies, I'll bet), goes No. 308. He organized a credit union at the American Packing & Provision Company at Ogden. Utah is a very live credit union State and is going places in the credit union movement. Glad to see Mr. Askew. Finally we turn back to good old Louisville and to the Mengel Body Company Employees Credit Union for Mr. J. T. Dugan who sent in a while back the Reynolds Metals Company Employees Credit Union, also of Louisville. Three fine and worthy new members from three fine and worthy credit union States—all welcome!

And remember—there are things the Founders' Club can do. I suggest three of them: (1) help the BRIDGE to get out of the red by more and more new subscriptions; (2) enter the Contest and make it a success, and (3) look over your Christmas list and then take a look at our initial advertisers who can solve some of your Christmas problems. Buy of them and give credit to the BRIDGE when you make your purchases; that's the one sure way to build up our advertising. A Happy Thanksgiving to all.



A Few Chapter Fundamentals

Another Little Prize

We want some well rounded Chapter programs for reproduction in the BRIDGE. We offer a first prize of \$5.00 and a second prize of \$2.50 for the best Chapter Program we receive before January 1st. The Chapters are all clamoring for program material. How does your Chapter work it? Send us the programs you have found by experience to be the most interesting. And if you have any incidental plans which work well in your Chapter to promote interest and to build up attendance—let's have 'em for the good of the cause. Address all such to the Editor of the BRIDGE, Raiffeisen House, Madison, Wisconsin.



jects chosen have something vitally to do with credit union operation.

Further they have a part of their program set aside religiously to questions which credit unions bring in and there were plenty of interesting questions the evening I attended, questions worthwhile enough to make the whole meeting of value. They have badges as in a Rotary Club so that members may easily get acquainted. In this state there is a central credit union for credit union officers and it is always open for business at a Chapter meeting. Further the meeting ends on the dot at 10 P. M. This chapter has an occasional social evening; generally the host credit union supplies some sort of supper at small cost although the supper is not essential. *Thought and careful planning both go into these meetings and they are very successful.*

I attended a very dreary meeting which offered its members nothing but an opportunity to rehash the election and to grouch over grievances. There was no formality to the meeting; the notices had been sent out late; there was no program; there was no effort to follow a worthwhile order of business and in the end the discussion had to do with "giving up the Chapter as it is worthless."

Now a Chapter is like an automobile. With no gas and no oil and no battery and no engine—an automobile is dead. The Chapter must have a battery (officers who are interested and willing to do something about making the Chapter a vital source of value to its members). It must have an engine (the program, carefully worked out so that there will be drive and direction and purpose and value to the meeting). It needs gas (I am almost tempted to make a pun and note that the "gas" is literally a willingness on the part of the members to bring their problems to the chapter meeting and to take an active part in the discussions). It needs oil (the right place to meet, an occasional social evening and good nature and determination to meet problems squarely and fairly and to discuss all sides with good temper).

The third meeting I attended was in between the two; they had tried the business of getting together without any program, found that it would not work and were ready to attempt at their next meeting to reorganize their programs on the right lines.

A Striking Example

As a striking example of the manner in which workers "take to" the credit union, once it is introduced into their midst, Mr. Johnson points to the experience of fourteen credit unions in the Union Oil Company. The first of these started business last November. By the end of July, 1936, the total membership of the fourteen organizations was 2,152 out of a total potential membership of about 4,000. Savings had amounted to about \$35,000 and total loans to \$50,000. A description of the purposes for which loans have been made shows that the needs of workers in the southwest are much the same as those elsewhere. The leading purposes and the percentage of total loans ascribed to each stood as follows: Consolidation of miscellaneous small bills, 24.9 percent; dentists, doctors, undertakers, 17.7 percent; clearing of former loans, 10.2 percent; home improvement and tax bills, 8.8 percent; automobile purchase and repairs, 7.2 percent; household furnishings, including radio and refrigerator, 6.4 percent; and cash purchase vs. time purchase of clothing, 3.6 percent.

What About Our Ancestors

(Continued from page 13)
ied beside him) to be his eyes, went about from one part of Germany to another, organizing his societies and showing the people of the little villages how to find help in the strength which came, in ample measure, from cooperative effort.

He not only taught the brotherhood of man, but he made it work in homely, but none the less effective fashion. He was not one to lead men to death in battle; his work was rather to help men to live the more abundant life. We none of us have the sure gift of prophecy, and we live in a changing world where dark clouds gather, presaging a storm which may rock our civilization to its very foundation. If the storm comes in Europe—for the time being much of the work of Raiffeisen will seem to have been done in vain. *But principles live* and his work will go on in America, and one day the principle of cooperative effort will be born again in Germany.

At the end of the long day we were at the little landing stage again—ready for another boat to pick us up and carry us along to Cologne.

I spoke in the beginning of our ancestry. There is one obligation which is attached to worthy ancestors—the obligation to keep faith with them. It may well be that, with what is going on in Germany and elsewhere in Europe in mind, we in America must take the leadership—must accept this torch from Raiffeisen and keep it burning. That is the obligation which we gladly assume, and assuming it, it behooves the cooperative credit movement in America to keep the faith, that our credit unions may be worthy descendants of a worthy sire.



What About It?

Edited by THOMAS W. DOIG

Santa Sends One!

Hey, Tom!

You're department's the best one of all!

In the old days—on questions, Your office would stall!!

But NOW—

When you answer all questions together,

I'm tempted to ask you, To guess on the weather!

You answer so promptly, So thorough—and quick!

Will I find it good sleighing— On Christmas?

St. Nick.

FIRST QUESTION. Can a member withdraw any portion of his share or deposit capital without the withdrawal slip coming before the board of directors?

ANSWER. The member simply fills out a withdrawal slip and presents it to the Treasurer whereupon a check is drawn in the amount desired. There is no need for this matter to be called to the attention of the Board of Directors.

SECOND QUESTION. When a credit union charges one-half of one percent on loans of \$50.00 or over does this charge hold good until the whole loan is paid or until the principal is reduced to \$50.00?

ANSWER. When a credit union charges one-half of one percent on loans of \$50.00 or more this charge holds good until the whole loan has been repaid. It is very poor practice for a credit union to graduate its interest rate charging less on loans of larger amount. A credit union is a cooperative organization. All members are equal. All character loans, or loans secured by chattel mortgages or by co-signers should bear the same rate of interest regardless of the amount of the loan. If we discriminate at all let's do so in favor of the small borrower.

THIRD QUESTION. When a member has completely paid for the number of shares to which he originally subscribed and pays an additional amount insufficient to pay for one complete shares, does he automatically subscribe for an additional share?

ANSWER. Yes. We hope, in the credit union, that the member will forget all about the word "shares". That word simply designates a unit upon which dividends are paid. A credit union is a cooperative savings organization in which its members may save small amounts at regular intervals. The member should save continuously until he has accumulated the maximum amount permitted.

FOURTH QUESTION. Has the Treasurer or the Board of Directors the authority to make specific conditions regarding the

granting of loans? Particularly may they, without the vote of members in general, make a rule that borrowers must deposit a certain amount on shares, over and above those shares subscribed for, when making payments on their loans? Are resolutions and rulings made by the Board of Directors open for inspection by the members?

ANSWER. A credit union is a cooperative organization of members, therefore, there should be no secret between the Board of Directors and the members. The records of the Board of Directors should be open at all times to the inspection of the members. The directors are directors in fact, and lay down the general policies, being very careful, however, not to lay down any rules which will handicap the work of the credit committee. The treasurer has no authority to make specific conditions regarding the granting of loans. The directors might make such a rule as you indicate without a vote of the members, but it is very important in a credit union that the directors should have very much in mind the fact that the credit union is a *credit* union, that is, it exists for the purpose of taking care of the credit problems of its members. Our history particularly during the depression indicates that this can be done by liberal interpretations of our by-laws. The greatest difficulty being experienced by credit unions right now is an inclination on the part of the directors and credit committees to make too strict rules about loaning money. I would advise against the rule you indicate in the question. I would advise the credit committee to make loans up to the unsecured limit without security if satisfied in each case with the character of the borrower. In other words, it is best for the credit committee and the directors to err on the side of liberality.

FIFTH QUESTION. Is it proper for a member of the Auditing Committee to be an assistant of the Treasurer?

ANSWER. I know no rule against a member of the Auditing Committee being an assistant treasurer, but there is a question of practice involved which is more or less obvious. It is the Auditing Committee's job to audit the books of the treasurer, and, in the absence of the treasurer, of the assistant treasurer. It seems to me, therefore, that there might be a serious doubt as to the wisdom of putting an auditor in the spot where he might be called upon to audit his own books.

SIXTH QUESTION. What is the correct interpretation of the clause pertaining to fines on loans. For example, is it proper to consider that the payment missed is the payment which continues overdue if the borrower pays only the required amount each week. In other words, if the borrower is to pay \$1.00 a week, skipped one week and for the following two weeks pays only \$1.00 each week, is he in arrears the three weeks or only one week?

ANSWER. It is good credit union practice to lean toward the borrower in the interpretation of fines. Therefore, in this case the borrower would be one week or one pay-

ment in arrears. In some states fines are prohibited.

SEVENTH QUESTION. What is the prevailing policy of remuneration for credit union treasurers?

ANSWER. The salaries paid to credit union Treasurers vary tremendously. Too many Treasurers are not paid at all. In order to properly answer this question or make an intelligent suggestion it would be necessary to have the following information about your credit union—Number of members, number of borrowers, Total assets, amount out on loans, interest rate charged.

It would also be necessary to know whether the credit union operates on a payroll deduction basis or on a voluntary payment basis. A credit union which is properly operated and has all its money out on one per cent per month loans can afford to use 45% of its gross income for all expenses and still pay a five per cent dividend. If possible we should at the very least pay the Treasurer the same hourly rate he earns in his usual occupation. The Committee of the Credit Union National Association studying this has not yet reported.

EIGHTH QUESTION. Our State Banking Department requires report of condition to be made at the close of business June 30th and December 31st each year. Should our ledger accounts be actually closed out in the middle of the year and surplus earnings transferred to Undivided Earnings account? Or, should all ledger accounts be carried open for the entire year and only a memorandum or work sheet made to show profit and loss for the purpose of the report to the Banking Department? It has been our practice to declare dividends and set aside the required amount into the reserve fund account at the end of the calendar year.

ANSWER. It seems to me that this involves first whatever practice is satisfactory to the State Banking Department, and second, having in mind the requirements of the State Banking Department, what is the procedure from the stand point of the credit union treasurer. Most credit unions declare dividends annually and follow the procedure which you have been following, and if this procedure is satisfactory to the State Banking Department, it seems to me that you would be safe in following it.

NINTH QUESTION. We use your note form 60M, and it frequently happens that the note is not paid in full at the end of the period of months stated in the note. If the member desired additional cash at that time, a new note is made for the amount desired plus the amount due on the old note, and the old loan is accounted for as paid in full. However, if the member, or the Credit Committee, for that matter, wants to renew the balance due on the loan only, what is the correct procedure?

ANSWER. It is my opinion that your procedure is correct in the matter of a new loan in sufficient amount to pick up the balance of an old loan where additional funds are needed by the borrower. Further, it seems to me that it is better practice in the event the due date of a loan has been reached and there is still a balance due on the loan, to make a new loan. This is particularly true as regards the protection of endorsers, inasmuch as the extension of a loan beyond the due date really involves the endorser in a new obligation. In other words, it seems to me that in either case it is better practice to close up the old loan and issue a new one.

TENTH QUESTION. Would it be proper in such renewals, to merely accept a new note for the renewed amount?

ANSWER. No. A new application must be made out and regularly approved by the Credit Committee.

ELEVENTH QUESTION. We have recently organized a Credit Union in our store. While we have made good progress in effecting the operations of the credit union, we are still puzzled and handicapped by the lack of knowledge about the security upon which a loan should be based. Our credit committee would like some enlightenment on its functions. We would appreciate it greatly if you would inform us just how a sound risk should be established by the credit committee. In fact, we would appreciate your outlining for us the procedure to be followed by the committee upon receiving an application for a loan. I would like to know also how to judge whether a risk is good and what securities should be asked for of the applicant?

ANSWER. The credit committee should be composed of three persons who have about the same wages, salary, or income as the majority of the prospective applicants for loans. The credit committee should be very human and very liberal. The soundness of the risk is usually largely determined by the character and general reputation of the borrower among his fellow members. Chattel Mortgages on merchandise or note endorsement is the best security. The credit union is based on the principle that 98% of American wage earners are honest. Most credit union loan applications can be approved by the Credit Committee by simply determining from the knowledge of the members of the committee the reputation and character of the borrower. Sometimes it is necessary to interview the borrower, and occasionally it is necessary to visit with the co-makers.

TWELFTH QUESTION. What is your advice regarding the size of loans that a young organization, a few months old, should make?

ANSWER. A credit union which is a few months old should make loans up to \$300.00.

THIRTEENTH QUESTION. To what limits would you hold the loans?

ANSWER. Eventually credit unions should make loans varying from \$5.00 to \$1,000. This is the normal credit union loan field. Some credit unions, of course, make much larger loans.

FOURTEENTH QUESTION. Recently we had a vacancy in the office of President and it was necessary to appoint another one of our members to complete the unexpired term which terminates at the end of this year. The man appointed to fill this vacancy has performed the duties of President to our entire satisfaction and if elected on the Board of Directors at the coming election, we are desirous of appointing him again as our President. However, this man also happens to be the Chairman of our Credit Committee and has another year to serve as such. The question now comes up as to whether this man holding the office of President together with the duties as Chairman of the Credit Committee would give the members the impression that we are conceding an undue amount of authority to one member.

ANSWER. There is no reason why this man should not hold both the offices mentioned. However, a credit union should never become a one-man show and there must be many other members just as competent. It would be good credit union practice to elect some other person to one of these positions.

FIFTEENTH QUESTION. Are the shares of a member in a Federal Credit Union subject to attachment for a debt?

ANSWER. Yes. The shares of a Federal Credit Union are subject to attachment for a debt.

SIXTEENTH QUESTION. Further, if the shares are attachable, would they be, if the member pledged his shares in full to secure a loan given to him by the Credit Union?

ANSWER. No. If shares are already assigned to the Federal Credit Union this assignment would constitute a first lien and the shares would be beyond attachment.

Special Question

What would you suggest as a unique Christmas present for a young married couple, both of whom belong to a credit union?

ANSWER: Accept the special Christmas offer elsewhere herein described whereby you get for \$1.00 a year's subscription to the BRIDGE and "CUNA Emerges"—the Credit Union book. Give her the magazine and him the book and you will all three be happy!

SEVENTEENTH QUESTION. May retired employees be continued as members of a postal employees' credit union?

ANSWER. Yes. Retired postal employees may be continued as members of the credit union and should be if they so desire. Such persons may be very dependent on the income derived from their savings in the credit union. The savings of such persons might be greatly imperiled if the member were required to withdraw them and invest elsewhere.

EIGHTEENTH QUESTION. As an officer of a large and successful credit union I have requests now and then to visit other cities in my state and advise interested groups how to set up credit unions. I am in some doubt as to the attitude of the Federal authorities towards the efforts of volunteer organizers, seeing that the Federal government has its own force of field men. Can you enlighten me on this point?

ANSWER. The Federal Credit Union Section heartily welcomes the help of volunteer organizers. It has prepared a special packet of papers which it sends on request to such volunteers, including the necessary blanks and instructions for filling them in. However, as many of these volunteers have had experience chiefly with state credit unions and as Federal requirements may differ somewhat from those of the given state, it is advisable for the volunteer, wherever possible, to sit down with the Federal field man and go over in detail the whole Federal procedure in setting up a credit union. The Credit Union Section, on request, will direct its field representative to call on the volunteer organizer and explain this procedure.

Full credit is given to the volunteer organizer even when a Federal representative sits in on the preliminary or organization meetings, which is always desirable when his attendance can be arranged. The "follow-up" visit, about ninety days after organization of the Federal credit union, should always be made by the Federal representative, although it will always be helpful if the volunteer can accompany him.

NINETEENTH QUESTION. What is the usual procedure in setting up a Federal credit union?

ANSWER. This question supplements the preceding one. Most Federal credit unions are now organized with the help of one of the Federal field investigators. Such help is not strictly required, but it is very desirable that some one who is thoroughly familiar with Federal practices shall be present at the preliminary and organization meetings, as such practices often differ in minor details from state credit union practices. The usual procedure is as follows:

The individual or group interested sends an inquiry to the Credit Union Section, Farm Credit Administration, Washington, D. C. In reply that office sends printed folders on Federal credit unions, together with a preliminary application blank. If the inquirer is sufficiently interested to fill in and return the blank, and if his answers indicate conditions favorable for a successful credit union, the Credit Union Section directs its field man for that territory to call upon the inquirer as soon as his schedule permits, and informs the inquirer that the field man will call as soon as he conveniently can.

When this call is made, a group meeting is held, if possible, at which the Federal representative explains the benefits and mode of operation of credit unions. If the proposed credit union is to be set up among the employees of a firm or organization, he obtains the consent of the management before suggesting such a meeting or taking any other active steps. If the group so desires, an application for a Federal charter is sent to Washington, signed by at least seven persons in the group and accompanied by a check for \$25. If and when the charter is granted, an organization meeting is held, attended if possible by the Federal field man. Officials are selected and the credit union is ready to function.

TWENTIETH QUESTION. In our Federal credit union, how often must we check the share and loan accounts in the Individual Share and Loan Ledger against the "shares" and "loan" control accounts in the General Ledger?

ANSWER. The treasurer should balance these accounts at the end of each month. The point is covered on page A-9 of the Federal credit union accounting manual.

TWENTY-FIRST QUESTION. The supervisory committee of our Federal credit union has been very inactive, having made no audit of the books during the last six months. Several of us feel that a change of personnel has become almost imperative. What steps can be taken to replace the present members with others more interested?

ANSWER. The only proper procedure is to have the president call a special meeting for the purpose of considering the removal of the committee members and the election of others. The president himself may call such meeting on his own initiative, or he must call it on the written request of ten or more members. The committee members may be removed by a two-thirds vote at this meeting, but only if they have been given a chance to be heard.

(Continued on page 25)

WITH FOUR new charters granted in one day in October, Hawaii is well on the way to becoming credit union conscious. One further charter in October, together with the one previously granted to the teachers on the Big Island, brought the total number of credit unions in the Territory at the end of October to six. This is only a start. Before long, Hawaii should have several times that number.

One of the first applications for a charter following the arrival in Honolulu of Mr. Lance S. Barden, Federal representative, was that of the Hawaii Territorial employees in the city and county of Honolulu. Governor Poindexter was among the signers of the application. Among the charters granted in October was one which went to the farmers of the North and South Kona Tax Districts in the Island of Hawaii. These farmers are the coffee growers of Hawaii, producing most of the coffee raised on American soil. American credit unions thus gather in a brand new industry to add to their types of membership.

In another Pacific area, credit union service in October also overflowed the boundaries of the States. Charter No. 1695 went to a group of employees of the General Petroleum Corporation of California, with headquarters in Seattle. The company has a number of employees in Alaska, and they were also included in the field of membership. So far as is known, this is our first entry into that territory.

* * *

From Los Angeles comes the threat that if interest in credit unions continues to grow at the present rate, the membership is going to consider that city the credit union capital of the country. Papers in Madison, Washington, Boston, etc., please copy.

One evidence of this live interest is the activity of the Lado Federal Credit Union, created to serve the directors and committeemen of the other credit unions in Los Angeles. After about seven months' operation, this central credit union has more than a hundred members. Its directors hold monthly luncheon meetings which are open forums for the discussion of all kinds of management problems and are attended by all credit unionists interested. The average attendance is about 65.

The central credit union in Washington, D. C., organized at about the same time and enjoying a parallel growth with the Lado group, also finds regular luncheon meetings good opportunities for thrashing over all kinds of common prob-

lems. Other credit unions might find the idea worth copying.

* * *

Credit union officials in Washington have been much interested in a monograph recently issued by the National Industrial Conference Board entitled "Savings Plans and Credit Unions in Industry." It summarizes the findings of a survey carried on chiefly through a questionnaire sent out last March, and the information it contains is compared with the results of a similar survey made in 1927.

The special value of this study lies in the fact that it shows how credit unions came through the depression with flying colors.

"Especially significant," says the foreword, "is the growth and remarkable record of sound administration of credit unions—employee organizations which encourage thrift and furnish a source of credit for members. The amazing accomplishment of maintaining the complete solvency of these organizations throughout the difficult years of the depression is a tribute to the ability of American employees to conduct a banking enterprise with skill, integrity, and excellent judgment."

Based on returns from 375 companies employing more than one and a half million employees, the study shows how credit unions retained their popularity and grew in numbers and membership while operations of various other employee-savings plans were being severely curtailed in the difficult years between 1929 and 1933. Credit unions in 1936 comprised about 47 percent of the 400 savings plans in operation in these companies, whereas in 1927 they comprised but

12 percent of the 324 plans reported at that time.

To credit union leaders the excellent record which credit unions made in passing through the depression is an old story. The disinterested study of the National Industrial Conference Board directs attention to this record, citing the experience of twenty-six credit unions which were included in the Board's 1927 survey and the present status of which is known. Twenty of these organizations are still functioning, four were in companies which have gone out of business, and two were discontinued because of financial difficulties. Of these two, one was liquidated because of investment of the surplus in bonds which "went sour," and concerning it the reporting company said:

"The credit union was very satisfactory. Had our losses been limited to those sustained on personal loans to members it is very likely that the guaranty fund would have taken care of them."

The record is equally gratifying in the matter of losses from bad loans during this trying period.

"Despite unemployment, curtailed working schedules, and drastic reductions in wages," says the Board's report, "the industrial credit unions in operation during the depression years present a splendid record of achievement." The individual record of each of forty-six credit unions for each of the years 1930-35 is given, showing in practically all cases negligible losses from bad loans.

* * *

Coming out of the west early in November Mr. Lowell Johnson brought vivid accounts of the growth of credit union sentiment in Pacific coast regions, where he usually holds forth.

Credit unions are making substantial progress in the large industries of the coast, according to Mr. Johnson. The oil industry is very well represented. The credit union among Paramount Studio employees is steadily increasing its business and is setting an example to the thousands of other workers in the "pictures" which many of them are sure to follow. Stores, aeroplane manufacturing and others are included.

QUARTERLY GROWTH OF FEDERAL CREDIT UNIONS

(As disclosed by reports received through September 19, 1936)

| Quarter Ending | No. FCU's Chartered | Number Members | Share Balance | Loans Outstanding | Loans Since Organization | |
|----------------|---------------------|----------------|---------------|-------------------|--------------------------|------------|
| | | | | | Number | Amount |
| 1935 | | | | | | |
| Mar. 31 | 210 | 18,137 | \$ 202,729 | \$ 157,897 | 3,329 | \$ 194,666 |
| June 30 | 425 | 46,810 | 716,974 | 582,904 | 14,187 | 687,734 |
| Sept. 30 | 617 | 77,651 | 1,306,034 | 1,060,579 | 29,306 | 1,696,216 |
| Dec. 31 | 906 | 113,556 | 2,080,443 | 1,714,427 | 52,069 | 3,228,216 |
| 1936 | | | | | | |
| Mar. 31 | 1,207 | 162,334 | 3,337,210 | 2,672,261 | 92,921 | 5,564,554 |
| June 30 | 1,519 | 204,014 | 4,694,769 | 3,952,105 | 134,440 | 8,474,224 |

Credit Union Section
Farm Credit Administration
Washington, D. C.
September 26, 1936

THEY MANAGE THE MONGSTUS

You might imagine that the Mongstus Credit Union serves associates with some monastery but such is not the case. It is located at Kansas City, Missouri, and serves employees of Harzfeld's store. You will recall the story about it in the

September BRIDGE. It has total assets of \$66,824—752 members and 235 borrowers. It is managed by Mrs. Fred Atkinson, one of the outstanding credit union leaders in Kansas City. With loans of more than \$60,000 this is *some credit union!*



TOP ROW—Left to right: L. W. McKay, Oscar J. Shockley, Hannah Phares, L. Surgelson, Melba Lazarus, Cornelius Helling, Anna Larrance. BOTTOM ROW—Russell Faubian, E. A. Timms, S. S. Bishop, Caroline Thomas, G. R. Tyler, Mary J. Witt, Gertrude Burdoo.

Indicating How A Credit Union Affiliates With Cuna

IF THERE is a Credit Union League in your state which is affiliated with the Credit Union National Association, a credit union which affiliates with it affiliates automatically with the National Association. If there is no such affiliated State League in the state, the credit union may affiliate directly with the Credit Union National Association.

National Dues are figured on the basis of ten cents per credit union member of a given credit union the previous December 31, with a maximum of \$5,000 from any given State League.

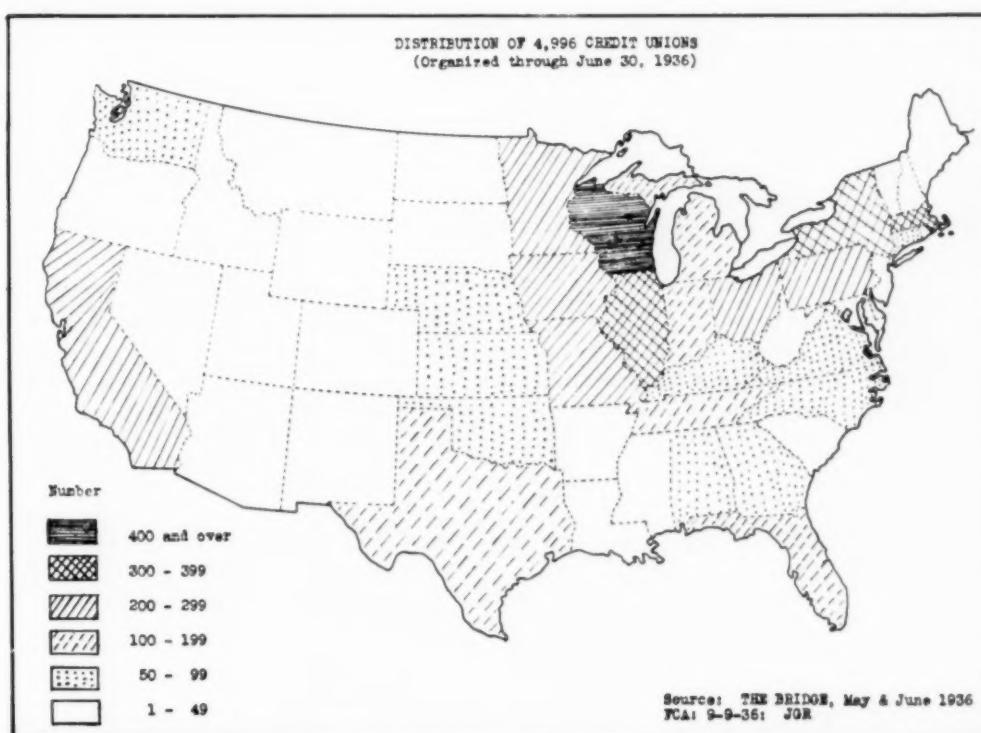
Except That

There are no national dues for credit unions affiliating which were organized since December 31 last or which paid a dividend of less than 3% last year. The entrance fee for new credit unions to State Leagues in some states is nothing, but there is generally an entrance fee of \$1.00 or \$2.00 and no dues the first year. A new credit union by affiliating at time of organization will save more on its first order for bookkeeping forms than the cost of affiliation with the State League and the National Association.

There are State Leagues in the following states: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Dist. of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisville, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

Showing Our Distribution

WE owe to Joe Riddle of the Federal Credit Union Section this little map which he made for us awhile back in the process of satisfying himself as to the distribution of credit unions in the United States. Joe's totals were as of June 30 and the distribution holds about the same at this writing (November 13) although, in spite of the slowing down of the credit union program which is always incidental to the summer months and from which we had an abnormally slow recovery due to the election primarily the total has increased to 5380 by October 31 and to a grand total at this writing of 5431 as we have added 51 the first thirteen days of November. This gives us a total since June 30 of 445 new credit unions (thanks largely to the Federal Section) which isn't so bad for the summer months and early fall. Wisconsin still leads the procession with 466—New York with a great influx of Federal credit unions is second with 398—Illinois with 357 is pressing Massachusetts (with 390) in spite of the long head start Massachusetts had in the credit union race. Five recent new credit unions have been reported in from the Hawaiian Islands and every State in the Union has now two or more credit unions. The October total was 139 with 57% reported under State laws and 43% under the Federal law. Illinois made a fine October showing with 14. For the first ten months of 1936 we have the altogether extraordinary total of 1296 new credit unions organized in the United States. Incidentally California leads for the first ten months with 109 new credit unions. For that period the record shows California 109, New York 98, Pennsylvania and Illinois each 88, Wisconsin 71, Michigan 61 and Texas 55. The credit union movement is surely in motion.



Loan Policy Of A Credit Union

by JAMES W. BROWN

After a Credit Union has once been established, the most vital problem is its loan policy.

Almost all credit unions have the same experience the first few months of more loan applications than money, but as the loans increase in volume, and the repayments and share accounts begin to build up, the astonished treasurer wakes up some morning and has the feeling that every man in the plant is throwing five and ten dollar bills at him. At this point a lively treasurer of a well organized credit union appears to be raking in shekels with one hand and writing out checks for new loans with the other. As the speed accelerates from week to week to keep both of these hands absolutely synchronized becomes a bit nerve wearing on the treasurer. There is a natural feeling of panic and an inclination to slow down on the check writing hand. Soon the outlet valve is stuck, the credit union engine sputters, misfires and if nothing is done we have a stalled credit union.

This panicky feeling is only natural and human. For a worker who has frugally spent his own modest income each year to find at the end of a few months he has loaned out twenty or thirty thousand dollars is rather startling. "Hold everything," he says to himself, "I've been spending the Credit Union money like a drunken sailor. I'd better clamp down on the loans or I'll be losing money and get into a jam."

If this panicky feeling grows, the credit committee and treasurer are apt to fall back unconsciously into the attitude of a commercial concern loaning money. Such an attitude will mean the sure death of the credit union spirit and, carried to an extreme, will make the treasurer only an "unpaid bookkeeper" for the bank in which he deposits the credit union funds.

Just a short time ago I dropped into a financial house to sell some stock which I had by some miracle kept through the depression. At a nearby desk, I heard a man making application for a loan and on the financier's face was a look while perfectly courteous, was non-committal and a bit wary. The loan was turned down because the collateral was not sufficient. The financier was sorry, but the rules of the institution had to be observed and the funds protected. What struck me about the whole incident was the rather droll picture that came into my mind of trying to ape the mannerisms of the financier in our little two by four office. I pictured myself leaning

back in the swivel chair with the cultivated non-committal look, explaining in a deep, sonorous voice as I fingered my gold watch chain (I haven't any) how I must recommend to the loan committee his loan be turned down in order to protect our shareholders' money. Our office is so small, the loan applicant almost has to sit on my lap when he makes his application. With a man's face about three inches from your own it is rather hard to maintain an aloof dignity. Truly in our office we have what you would call a real personal contact.

A further comparison of the natural divergent viewpoint of a commercial institution and our credit union here at El Segundo I believe will quickly point out the difference in the organizations, and why they cannot operate the same.

The commercial institution deals with the general public and must establish rules accordingly. Our loans are only made to fellow members accepted by the Board of Directors into the credit union and working for a common employer.

The starting point of a loan from the viewpoint of a commercial institution is the possibility of profit on the investment. The starting point from the viewpoint of the credit union is what service we can render to our fellow member.

The financier is neutral and noncommittal, taking a dispassionate viewpoint. We are sympathetic and trying to help the borrower.

When there is the faintest shadow of a doubt the financier is apt to play safe and reject the application. When there is no more than a shadow of a doubt we approve it. Here in El Segundo the outlook must be solid black before we regretfully turn it down. We have approved 349 loans in the past fourteen months and turned down two, and I think we made a mistake in one of those! We have only one delinquent borrower and we haven't given him up yet. So far we haven't had occasion to feel panicky and we feel safe in going ahead and loaning our funds from the viewpoint of a credit union.

Our rejections have been based on the absolute hopelessness of the financial condition and moral responsibility of the applicants and not on a definition of provident purposes for the loans.

Like all other credit unions we have made a quick response to applications for loans of a remedial nature such as sickness, hospital bills, funeral expenses, etc., and have reached the point where we have more than enough funds for such loans. In addition we have loaned

money to members for almost every other purpose except for "wine, women and the Irish Sweepstakes." Anything that contributes to the culture and economic well being of our members we have considered as provident or constructive loans, although at times our interpretation may be more in the spirit than the letter.

A member called "Shorty" came into our office a few months ago. He was a skinny, little fellow and said he had a big, fat brother-in-law with a devastating appetite who was eating him out of house and home. Shorty wanted money to start him in the restaurant business. That sounded to the treasurer and credit committee as a logical business for a fat man with a big appetite and as Shorty was a good risk the loan was approved. Now the brother-in-law is having all the beefsteaks he can eat and Shorty is making sufficient money out of it to make the payments and buy some stock. We considered this a constructive loan, but we could hardly advertise we loan money to take care of fat, unemployed brother-in-laws.

Another field is opening to us. Our borrowers are rapidly becoming "carrying charge" conscious. We are finding a considerable number of repeat loans are for the purchase of furniture, heaters, radios, etc. These members after trying our rates and service, rebel against the high carrying charges of the installment houses. Here is a field we believe we can keep all our excess money employed to the mutual benefit of our members and our credit union. This type of loans also has a far wider application. Mass production is humming again but without mass buying it will be the same old story in a few years of overflowing warehouses and production stalled again for lack of consumer purchasing power. Every dollar the credit union saves in interest and carrying charges adds to the mass purchasing power of our members in absorbing the production of our big industries. Without this steady absorption there can be no leveled off prosperity and it will be

We would like to call Mr. Brown one of our "staff writers" were we at the point where this wouldn't sound like putting on swank! This is his second article. We thought his first one was mighty good—but this one is better. My wife did the proof reading on the copy and she remarked after reading it: "That's what I call an exceptionally fine credit union article." Amen to that! We hope to have many more contributions from Mr. Brown's credit union-minded pen. We also received his picture and if it doesn't accompany this article it will be because we are hard pressed to get the Thanksgiving issue out on time and we may not get the cut soon enough to include it. It will be in the Christmas issue without fail. Mr. Brown is proving our contention that eventually we can build up a BRIDGE staff within the credit union family which will produce a whacking good magazine!—Editor.



The Treasurer—an All-Round Man

a record to be proud of if the credit unions can help materially in maintaining this necessary maximum purchasing power.

If we work together along these lines some day we will hear the following over the radio:

"Listen, folks. This is the Friend Of The Workers Finance Company on the air. I have some startling news for you tonight. No longer can you come to us where you receive 'credit with a smile, no questions asked, fifty dollars at only eight dollars and ten cents for eight months.' We are out of business. The credit unions have taken our place. The loans of the credit unions have so increased purchasing power that business is picking up everywhere. The G & M Furniture Company are advertising for men. We are quitting financing and are going into production. We refer you to the credit unions for your loans. Time marches on!" Time will have truly marched on when this happens.

In the final analysis the loan policy of a credit union will be colored a great deal by the temperament of the loan committee and the treasurer. The old story of the hole and the doughnut is true here. One treasurer may only see the one percent "problem case" borrowers and become ultra-conservative and the other treasurer only sees the ninety-nine percent good risks and becomes ultra-liberal. (The point may be well taken here that the one percent may default and possibly wreck the year's profits, but with our guaranty fund and loan insurance I believe we are well protected).

Which position appears to be the most justified? Bert Fowler in an article in the Forum Magazine on credit unions tells of a treasurer of a credit union in

the slums of Boston who made loans in excess of a million dollars since 1921. Yet his losses were only \$7,500 and the article stated he made loans that would make a banker's hair turn gray and cause him to toss from side to side all night in bed. A manager of a loan agency recently expressed himself about our credit union as follows: "Your organization is sure in clover with nothing to worry about. Your borrowers are fellow workers with steady jobs, rubbing elbows with you every day. Give us a break like that and we all would be riding in Rolls Royces."

The question may be asked if we spread ourselves to take over these installment plan purchases, where is our limit? Can't we stop anywhere and take things a little easier? We just can't stop. The sky's the limit! We're racing with the endless conveyors of the production units. We're holding off the next depression. We can't maintain a high pressure production program with a low pressure consumer's program.

The similarity of an active credit union and an oil refinery can probably be appreciated by the many credit unions in the oil industry. Oil refining is a continuous process, twenty-four hours a day, with the oil constantly circulated and processed under high pressure, high temperature and high speed. If the hot oil is allowed to chill, it will solidify in the pipe lines. It is constantly circulated and re-circulated under high pressure to obtain the desired results. Credit union money is "hot money" and should be kept in circulation and not get cold on our hands. Refinery foremen sometimes find prospective operators divided by temperament into two classes. One class bewildered by the necessity of high speed, pressure and temperature, cannot adapt themselves to the job. The other class takes to the work like a duck to water.

This problem should be faced realistically by directors at the annual meeting. Why should officers be asked to serve gratis on jobs unsuited to their personality? The job of treasurer is trying enough if nature shaped the treasurer into the very spirit of the credit union movement. This situation dealt with in the spirit of honesty and sincerity may go a long way to help solve the loan policy problem. A statement was made in a copy of the BRIDGE a short time ago that "the credit union succeeds or fails on the treasurer and the credit committee." I believe a little could be added to this and read, "The credit union succeeds or fails primarily on the loan policy of the treasurer and credit committee."

Since the important question of the loan policy seems to concern itself a great deal with the treasurer, a list of ideal requisites for this important individual should be of interest.

He must be honest and loyal.

He must like the business of being treasurer.

Every member should be able to call him by his first name.

He must be eternally answering in the affirmative the famous question asked by Cain.

He is unhappy if his credit union bank balance is not constantly dipping into new low levels.

He is a student of the relation of the purchasing power furnished by the credit union with the production output of our industries.

He has no jealousy. He protects his work in case of absence by having other directors familiar with handling the details.

He has tireless energy, strong sense of proportion, a sweet tempered wife, extreme tactfulness, endless patience, and above all a keen sense of humor.

A treasurer like that on the job is "hot" at all times and going places, hitting on all eight cylinders. All he craves is a blank check book, plenty of approved loans and the money flowing in. "Let's Go" is his motto and the Credit Union moves ahead.

The Kids!



"The World of To-morrow is in the hands of the Children of To-day."

WE ARE AT Thanksgiving and we approach Christmas. It is a time to think of the kids—God bless 'em! We are thankful for them and we approach Christmas fully appreciating that there is no more joyful period in the bright years of youth than the recurring periods of Christmas. And it's a time to remember the other feller's kids who may not get so much Christmas as you can give your kids. Credit Union members will support the Red Cross and the Community Chest drives and every agency designed to spread happiness and security. And if there are some kids you know of whose father and mother may not be able to make their Christmas quite as happy as it should be—that's where you and I come in. Every kid is entitled to a happy Christmas. Let's be sure they get it for the kids of today will make the world of tomorrow and it's our job to get them ready for their job.

Make this a grand Christmas for the kids!

Cumet Is a little book!

CUMET is a little book. This is the opening paragraph: "Gather, shipmates, and a tale I will unfold—a dream I will dream for you, flavored with the salt sea breezes blowing, out yonder where the bravest sea gull, wheeling in his graceful flight, follows us no more, but turns regrettably landward! Ship ahoy, then, up sail and away! If my tale seems a bit fantastic remember that some gifted writer has called fantasy 'the golden fringe on the grey of life.' There must be a bit of imagination in it! It must be rose-tinted with hope, stimulated by desire—a dream, perchance, but the sort of dreaming one would visualize into practicality."

Then we go on to unfold a dream that Tom Doig and I dreamed coming back from Europe a few years ago. We had gone over to visit with some of the European credit unions and to take a look at interesting things. All the way back we planned CUMET.

CUMET, with the accent on the last syllable, is a new word composed of the first letters of the five words "Credit Union Mass European Tours." What we have in mind is simple and yet, in its connotations, almost past believing. We propose (to put it in its most understandable terms) European Trip Clubs in credit unions, that the individual may save enough money for our trip. We then imagine the possibility in CUMET of chartering a ship—big enough to take an even thousand credit union members abroad. We would make it a relatively short trip—the first one—and very inexpensive and strictly cooperative. We suggest for the first experiment a trip to London, a long, lazy voyage which would land us at the London docks which are almost in the heart of the city. This would bring us up the historic Thames and would enable us to remain on our ship during the London stay. We have in mind some sight seeing in London and a great meeting with folks in the English metropolis who are interested in the same things we are interested in—a meeting at which we, a representative cross section of citizens of the United States, might take a message of good will to a mother country which message I am sure would be received in the spirit in which it would be extended. Then we would all re-embark and cross the English channel to one of the French channel ports and go by special trains to Paris. There we would repeat the process, another demonstration of international amity, and we would have lots of fun, seeing the sights of Paris for a few days. The ship would meantime proceed, possibly to Bremen without us and we would go there by train—a few days in Germany, not the Germany we are always reading about as preparing for another World War but the lovely Germany of fine cities and

beautiful country side, the Germany which gave Raiffeisen to the world, the home land of the credit union. At Bremen we would set sail for home.

Tom and I dreamed this dream through, knowing full well that it would take years before it could be realized. We wrote a little, cheerful book about it, copies of which CUNA is glad to distribute so long as they last to anyone who is really interested. The book is called "CUMET."

Since we wrote it—the need for such a crusade, for a pilgrimage of good will, has become daily more self-apparent. Most people want to live in amity with other people. *There are spiritual forces in the World that can be organized. The nations of the world are hungry for friend'ship.*

The little book ends with this paragraph: "But while the fantasy has no end—he words are giving out. So I end, with what words remain, in an expression o' my own faith. I believe that all of the peoples of the earth would, if they could, live at peace. I believe that they need only to know each other—for they have common hopes and joys and sorrows and a common urge to find happiness. I believe that we have come to an age of new and better ways and happier thinking for all mankind. I believe that the time approaches rapidly when you and I may go forward together—down the fascinating road which leads to adventure—to broader horizons, to greater friendships—crusaders of good will, seeking peace—the good peace of understanding between men and women everywhere."

P.S.: And we'll have a very grand time doing it!

In the January issue I am going to get a bit more practical about this notion. The Managing Director of CUNA is, for the most part, hard-headed. We deal mostly with extremely practical problems.

But it is the dreamers who save the world from itself!

Relative to High Dividends!

Inviting free discussion, I am against excessive dividends. I believe that it would be better for the credit union movement if all dividends (state and federal) were limited to 5% and, as the author of 39 of the 41 state laws and the federal law, had I it all to do over again in the light of my credit union experience which covers many countries and fifteen years of time *I would write a 5% limitation into every law.* I invite criticism of this point of view.

To defend it I go back first into the history of the credit union movement in countries which are much older in their credit unionism than we are. The original Raiffeisen banks stressed credit entirely; they paid no dividends at all and divided their earnings between education and surplus. The idea of the high dividend crept into our American practice because we had not foreseen the danger! One man did foresee it—Myron T. Herrick, for many years ambassador to France and extremely interested in co-operative credit. He wrote a book on the subject back in 1916 in which he pointed out the danger of unlimited dividends as a means of attracting the kind of capital which would look only to excessive earnings. And this is a danger.

It is important also that we get clearly in mind that the treasurer of a credit union should be paid adequately for what he does as soon as the credit union is large enough. I keep repeating because it is important—the credit union which is paying a 6 or 7% dividend and paying its treasurer practically nothing is receiving the dividend as a gift from an over-worked treasurer. Far better and far fairer that the credit union treasurer be paid and the dividend be decently limited. And the treasurer should have no side lines with the credit union membership on which he collects commissions. This is a subject of immediate interest; the columns of the BRIDGE are open to discussion. Let's start one.

AN INTERESTING COMPARATIVE STATEMENT OF OPERATIONS

KRAFT CREDIT UNIONS

June 30, 1936, and December 31, 1935

| | Number of Members at 6/30/36 | Total Share Balance at 6/30/36 | Number of Borrowers at 6/30/36 | Loans Outstanding at 6/30/36 | Number of Loans Made Since Organized | Amount of Loans Made Since Organized |
|----------------------------|---------------------------------------|---|---|---------------------------------------|---|---|
| Atlanta, Georgia | 184 | \$12,588.81 | 123 | \$15,295.57 | 524 | \$ 53,038.39 |
| Beaver Dam, Wisconsin | 76 | 2,140.55 | 22 | 1,720.00 | 81 | 5,031.00 |
| Chicago, Illinois | 522 | 21,361.95 | 206 | 15,675.61 | 843 | 60,695.01 |
| Denison, Texas | 145 | 4,897.23 | 68 | 4,732.25 | 218 | 15,120.00 |
| Freeport, Illinois | 114 | 4,319.22 | 23 | 3,751.65 | 109 | 6,865.00 |
| Green Bay, Wisconsin | 212 | 16,316.31 | 136 | 19,075.99 | 623 | 45,885.59 |
| Jersey City, N. J. | 164 | 2,038.97 | 30 | 916.14 | 91 | 5,520.00 |
| Los Angeles, Calif. | 186 | 14,528.25 | 106 | 14,440.50 | 597 | 49,211.70 |
| New York City, N. Y. | 132 | 4,504.58 | 64 | 3,804.59 | 172 | 11,928.00 |
| Pocatello, Idaho | 96 | 1,378.75 | 42 | 1,343.50 | 86 | 3,546.90 |
| Plymouth, Wisconsin | 72 | 1,869.13 | 34 | 1,695.82 | 51 | 2,836.00 |
| San Francisco, Calif. | 230 | 11,534.53 | 113 | 10,880.43 | 343 | 26,775.45 |
| South Edmeston, N. Y. | 46 | 993.00 | 34 | 1,171.50 | 63 | 2,056.00 |
| Totals of June 30, 1936 | 2179 | \$98,471.28 | 1031 | \$94,503.55 | 3801 | \$288,509.04 |
| Totals as of Dec. 31, 1935 | 1884 | 64,931.08 | 960 | 69,332.24 | 2699 | 178,965.44 |
| Increase for 6 Months | 295 | \$33,540.20 | 71 | \$25,171.31 | 1102 | \$109,543.60 |

Credit Unions In Armour and Company

(Continued from page 9)

place in our economic system. Its usefulness has been proved in many instances which have come to our personal attention. We know that credit unions have filled a long felt credit need for small borrowers. Conditions heretofore having been made to order for the loan companies, large and small, which had sprung up in the last decade or so. The credit union provides this service more conveniently and at considerably less cost than could be obtained elsewhere, and employes have been quick to realize these advantages.

Making loans to members for "provident purposes" and providing regular facilities for systematic thrift are, in my opinion, the fundamental purposes of a credit union. As long as credit unions stick to these fundamental principles they will successfully fulfill the purposes for which they were organized. It is my opinion that industrial credit unions are out of their sphere when they extend their activities to include such features as consumer cooperative movement.

This movement may or may not work out successfully as a separate undertaking, but we feel that it has no place in, nor should it become a part of, the credit union movement. As far as we know, none of the Armour credit unions has

gone beyond its original sphere of activity and engaged in consumer cooperative dealings.

We do not feel that we have reached the ultimate in the organization of credit unions among our employes. There are still a number of points at which we hope to establish units, and there are still many Armour employes who have not yet availed themselves of its privileges.

We are proud of the accomplishments of Armour credit unions for the service they have rendered our employes. We feel that an employe who is not harrassed by financial worries as a result of unwise installment buying or injudicious borrowing is the happiest. We know that the credit union has done much to curtail this and we are not unmindful of a greatly reduced number of wage assignments and garnishments. Therefore, we feel that the credit union movement deserves the blessing which we have bestowed upon it.

What About It?

(Continued from page 19)

TWENTY-SECOND QUESTION. What would you suggest as an important responsibility for the vice-president of a Federal credit union?

ANSWER. What to do with a vice-president seems to have been a troublesome question from the very beginnings of the nation. From the Credit Union Section in Washington, however, comes a suggestion with respect to Federal credit union vice-presidents

which would apply to all such officers in other credit unions and which I am glad to pass on to you with my hearty approval.

Why not appoint an educational committee and make the vice-president its chairman? Since he is a member of the board of directors, the work of the educational committee could thus be tied in conveniently with that of the board. Properly handled, the position would be anything but merely a decorative one. On this page last month I spoke of the many things an educational committee could do. Any committee chairman who might undertake a program including these suggested activities, as well as some of his own contriving, would have his hands full.

TWENTY-THIRD QUESTION. The treasurer of our Federal Credit union is bonded, as the law requires. Is it necessary that any one else be bonded? *

ANSWER. The Federal Credit Union Section requires that all persons who regularly handle money as agents of the credit union, or of the treasurer, must be bonded. Included under this designation would be such persons as assistant or deputy treasurers, assistants in the credit union office, collectors acting for the treasurer in credit unions with a scattered membership, and others with like responsibilities. If a collector accepts money from a member merely to carry it to the credit union office or leave it with the treasurer, and also brings along the member's pass book for initialing by the treasurer or his representative, he would be acting as agent for the member and not the credit union and would not have to be bonded. But if he himself should initial the pass book a bond would be required.

The treasurer of a Federal credit union must furnish a faithful performance bond. Others need give only a fidelity bond, although a faithful performance bond is to be preferred and is well worth the small extra cost.

Helping Our Advertisers—You Also Help Yourself and Help the BRIDGE!

Here's your chance to help the BRIDGE and help yourself at the same time.

We call your attention to two facts: (1) the BRIDGE costs more to produce than the subscription price and (2) therefore we must get some advertising. We call your attention to the third fact (3) that we shall accept no advertising which we cannot backup as reputable advertising of goods we recommend and (4) to the few tentative ads we have in this issue. Obviously we cannot get advertising unless we are right in our conclusion that BRIDGE readers will patronize BRIDGE advertisers. We are all in a sort of partnership together and we believe that it will pay advertisers to use the BRIDGE.

Help us prove that by doing two things. (1) Look at our two sample ads. They list things which make not only worthwhile but popularly priced Christmas gifts. We know their quality or the 'ads' wouldn't be in the BRIDGE. Include these little items in your Christmas list. More than that—(and this is of the utmost importance) when you send in your orders either use the slip enclosed herewith or, if you do not want to cut the BRIDGE, copy it, being sure to tell the advertiser 'I saw it in the BRIDGE'.

Help Yourself—Help the BRIDGE Advertiser—Help the BRIDGE



Merry Christmas



Please send to the undersigned the following item(s) advertised in the BRIDGE for which I enclose \$

Name _____

Address (St. and No.) _____

City _____

State _____

Cut or Copy and Send With Your Order to the Advertiser. If You Do That—You Are Making a Grand Christmas Present to the BRIDGE



Shirley learns Chinese. To make more authentic "Stowaway," Shirley Temple, tutored by Bessie Nyi, masters Mandarin Chinese dialogue and two songs.



NOVEMBER

Warner and June are two lion cubs born on the set of "White Hunter." June Lang is taking good care of them.



HAS AL LOWE anything to be thankful for? Raw-ther!!! Here was I waiting at the station surrounded by my bags, already to take the train away from Madison forever, the movie section of the BRIDGE all washed up and just as the train pulled in who should rush down to the station, all out of breath and puffing like a porpoise but the editor. "Hold everything!" he shouted, "the Governor has signed a reprieve! The execution has been stayed and old Al Lowe has been saved—at least for a month!" And I loaded my bags into his ancient fliver and here I am back at my desk. Here are extracts from a few of the letter which have brought me back—smilin'.

Here's a card from Oakland, California. It's a good one to start off with: "Dear Mr. Lowe: I just want to drop you a line, asking you to please not discontinue your movie department in the BRIDGE magazine. Your department has awakened a new feminine interest in the

AL LOWE

magazine. We truly enjoy your reviews and your pictures and would like to see more of them and articles about Hollywood and the movie industry. We hope to find you in the next issue in spite of everything.—Sincerely yours, B. Edwards."

Thanks a million—B. Edwards—you saved my life for no sooner had your card come in than Mrs. F. W. Martinson of Des Moines wrote in: "My husband receives the BRIDGE and I read every word of it. I hope to send in a picture and that you do not find it necessary to discontinue any part of it. The enclosed may not be a review of a picture—if it's not maybe you can name it." We're quoting and mighty glad to get it, Mrs. Martinson, and more than mighty glad that all the folks at your house like the BRIDGE.

"Having just received my copy of the BRIDGE," writes Mrs. Arthur White of San Diego, California (Heaven bless the women!!!!), "I for one can say that I am interested in your movie department. I think reviews from the angle of the movie-goer instead of the press agent" (*that's the stuff old Al Lowe has been trying so hard to get across*) "in a photo magazine are sure to bring out points pro and con and to provide a real and refreshing authority. That should mean good entertainment for us all. I think you have an interesting and friendly magazine . . . good luck to you." Thanks, Mrs. White.

And along comes a man to tell us that "I certainly hope your department will

continue . . . the best of luck to you." Thanks again, William J. Carney, of Louisville.

And Marion Lix writes from Wauwau-tosa, Wisconsin (they are still coming in as we go to press) "The BRIDGE is read and enjoyed and even, I might add, re-read and still enjoyed. I especially enjoy the movie page since I am an avid movie fan. Moreover, I am really interested in the magazine for its style and make-up because I am a journalism student at Marquette University. I hope the movie page won't be discontinued. In this letter the family supports my request to continue the movie page. I hope your editor can be convinced to give you the support you deserve." There's no one my editor listens to quite so respectfully, Miss Lix, as he does to you for you are the symbol of the BRIDGE readers who now total 22,000. We want to make this magazine what you want it to be. Later on when we get it out of the red and begin to have something left over each month we shall be able to make it vastly more attractive than it is now and we hope that we will have lots and lots of letters like yours and that those who do not win the prize this month will keep right on trying. We shall start right away a department from which we shall quote from all reviews received. It will be called "An Ear to the round," and in it we hope to reflect the reaction of the folks who support the movie industry to the product of the movie industry. And this is a good spot at which to start it.

AN EAR TO THE GROUND! What Do the People Think of Current Movies?

Mary of Scotland (by Marion Lix). Unfortunately this picture suffers from a common Hollywood fault, costume complex, as well as the usual historical hysteria. Sacrificing history in the interest of unusual shots. Director John Ford succeeded in producing on

ly another Hollywood spectacle bearing the stigma of the trend of moviedom to declare that truth is often stranger than history.

The Great Zigfeld (by Mignon Q. Lott). To begin with it lasted too long. We were in the theater three hours and fifteen minutes! My husband sighed and wriggled and sprang up at the first possible minute, making for the exit with the remark "That's the last time I'll go to a movie!" It was like eating frosted cake for the first, second, third and fourth courses.

Craig's Wife (William J. Carney). It is difficult to believe that such a fascinating woman could love her museum-like home rather than her husband, played by John Boles.

Dimples (Mrs. F. W. Martinson). Just another one of those pictures which it's good to look upon.

Without Orders (Ethel Pflieger). The end of the story surprises no one but there are incidents happening throughout the picture which keep the show full of thrills and entertaining to the end.

The Big Broadcast of 1937 (Gloria Moore). This is one of those usual entertaining, mixed up concoctions of radio stars turned out each year in a big broadcast.

The Gorgeous Hussy (R. A. Emmett). This picture is commendable in every respect, a credit to the moving picture industry. The story is full of human interest, simplicity and naturalness, is completely absorbing and is an excellent portrayal of man's inhumanity to man in the form of gossip and slander.

A Particularly Encouraging Letter

One particularly encouraging letter from Gloria Moore we are holding for next month.

PRIZE REVIEW

By Venita S. White in the Xmas
BRIDGE!
We want another also and the \$5.00
prize still goes!

Montagu Love gets Freddie Bartholomew and Douglas Scott in the right mood with a bloody tale from the Spanish Main.



Director Irving Cummings directing "White Hunter" in which Gail Patrick has an important part.



The KODAKERS



Good Morning and Good Morning!

LET US GIVE thanks for photography! Think what it means to be able to perpetuate pleasant memories by photographing a happy meeting or bringing home a bit of scenery or the picture of an interesting place or the reproduction of a happy event.

As I look at the Kodakers folder I am again reminded that our credit union family spreads all over the map. Do you know—I never think of the United States as being a large country, a vast section of the geography of the world. I think of it as a neighborly country of no very great distances—and that is all because in almost every city and town and country hamlet there are neighborly credit union people who owe their neighborliness to a sense of their common interest in and loyalty to the credit union ideal.

Take the pictures in the folder—as many of them as we can use—in order; they spread from Portland, Oregon, to Kingsport, Tennessee—from New Orleans to Chicago; from Denver, Colorado, to Madison, Wisconsin—from Columbus, Ohio, to a group of pictures which Jimmy Dacus sent in, pictures he took on organization trips for the Federal Credit

Union Section, and they range from Pennsylvania to Mexico. There is something so universal in the credit union appeal.

And in this column of the BRIDGE we seek to picturize this great credit union interest which makes the whole United States a neighborhood.

It's a grand notion—we've lots to be thankful for!

Saddle Mountain

And so we do start off with one of Jimmie's. It is a picture which he took from the roof of the Monterey Men's Club—"in old Monterey," Mexico, and it shows the Sierra del silla Mountain. And that translated means the Mountain of the Seat or Saddle and it was so named because this mountain is the exact shape of a Mexican saddle. Thank's, Jimmie, for all this fine indication of your continued interest in CUNA. Keep that camera right along with you on your travels; you know how to pick the subjects!

A Quartette at Columbus

At Columbus, Ohio, this quartette came together. To the right is the President of CUNA—Claude E. Clarke of Cleveland. The lady is the new Managing Director of the Ohio Credit Union League—Louise McCarron. Let me warn all men managing directors—here and now—Louise is going to give you all a gosh orful good run for your money. Claude and Louise, backed by a fine board of directors and some grand chapters, are bringing Ohio rapidly to the credit union fore. Next is Earl Rentfro, who manages



the CUNA Mutual Society which is adding coverage right now at the amazing total of two and a half million a month. Finally to the left, the worried looking feller, is the manager of the only department of CUNA which seems at this writing hopelessly in the red. We'd fire him if we could get some one else to manage and edit the BRIDGE for nothing. His only hope is that you will all step on the gas and get us some subscriptions. Dr. Herbert Evans, who has one of those cameras which will take pictures anywhere and don't seem to need any light—snapped this one.

Rocked in the Cradle of the Deep!

Here is Hugh G. Stout, Managing Director of the Oregon Credit Union League, and look—ye credit credit unionists from the Atlantic seaboard particularly—he is in swimming in salt water and he isn't in the ocean and the water is so salt that while he is trying to sink—he can't! He's in bathing in the Great Salt Lake at Salt Lake City, Utah, and proving what we have so often contended—that here is a spot where the most timid can go in swimming if they will not try to drink up the lake and will be careful about diving. Thanks, Hugh!

A Bridge That Failed!

When I look at this picture I am more than ever convinced that we must make a success of the BRIDGE for when a bridge goes down—there is sure a mess. S. S. Benedict sent me this and some other pictures which latter I am saving for a later issue as they are all three of them worth reproducing. Onto this bridge rode a luckless truck which was too much for the bridge's underpinning and the whole business just fell down. No one was hurt but the truck and the bridge were both put out of commission. Glad to get this interesting picture.

A Grand Suggestion

A recent letter from F. A. StJohn of Denver, Colorado, encloses this fine picture of the Colorado State Capitol taken from between columns of one of the pavilions of the Denver Civic Center—with a camera having an f6. lens on verichrome film stopped to f 11, exposure 1/25 sec. "Why not run a series of pictures of the state houses of the various states?" writes Mr. StJohn. I hope Mr. StJohn's suggestion will appeal to Kodakers and that we may have a group of such pictures. It will be difficult to beat this one from the viewpoint of real artistry. Thanks, Mr. StJohn both for the picture and the suggestion.

That Brings Us Back to Wisconsin

Here's an interesting picture which reminds me of the ribbing I have had to take because of a mistake in the Kodaker page of the October BRIDGE. I wonder if you noticed it. We had a picture of a bridge over the Potomac River and, with no intent at all to call attention to our own error, we inserted the picture upside down! Did I have

to take a joshing about that? Now here's a picture which you can print upside down or down side up and it makes no difference! Mr. Thomas Sims of the credit union at the Wilson plant at Chicago writes about it. "It is a view of a sandstone cliff overlooking the Wisconsin River some distance north of the Dells. Most people who look at the picture can't tell which way is up! They twist the picture this way and that usually ending up by holding it so that the tree shows in orthodox position—that is with the branches pointing upward . . . the pine grows straight out over the face of the cliff." I wonder if we can ever get this one in right. Mr. Sims has helped by indicating the up and down with an arrow on the back. A most interesting picture, Mr. Sims!

And Yet Another Mystery Picture!

Here's another mystery picture! Where do you suppose we got this one? It looks as though it were taken in the Phillipines. Will the owner please identify as his letter of identification has got loose.

The Finest Span

This bridge at the top opposite has been described as "the finest span across the American Father of Waters." It is the new Mississippi River Bridge at New Orleans and was sent in by I. C. Kernaghan, President of the Louisiana Credit Union League. It was originally intended to call this the "Huey P. Long Bridge" but it was finally christened the "New Mississippi River Bridge." It cost \$13,000,000 and was completed December 16, 1935. It is located at Nine Mile Point, a mile and a half above New Orleans. The photograph is by Franck from the Bureau of New Orleans News, New Orleans Chamber of Commerce, and we are most happy to have it from President Kernaghan for this issue.

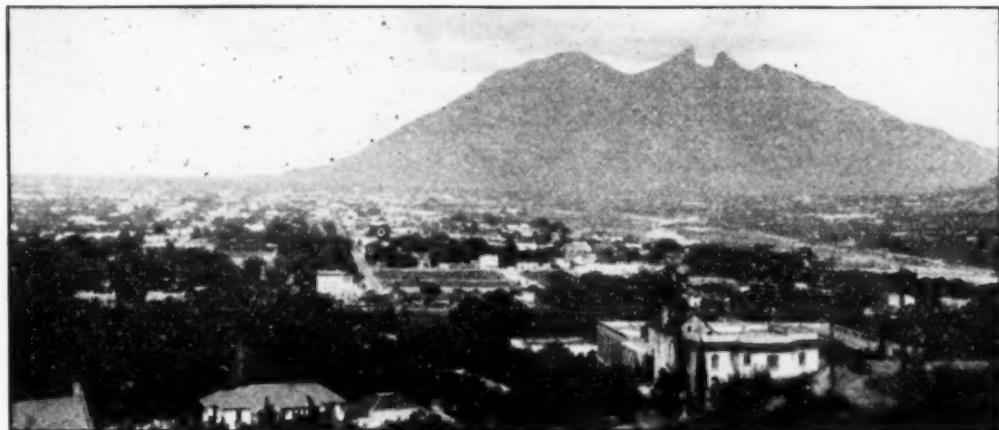
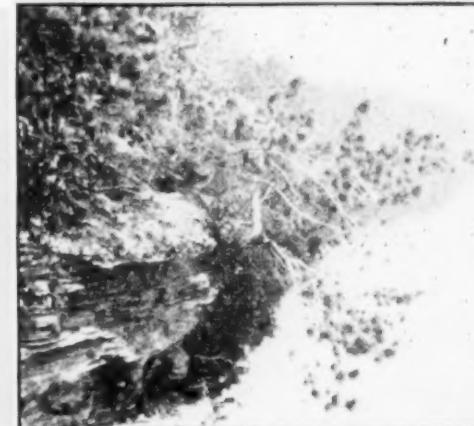
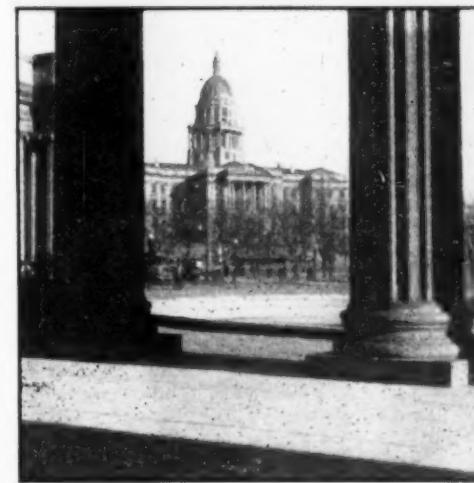
We Conclude With Two of Jimmie's

We cannot resist the temptation to include two more of Jimmie's exceptional pictures. The others we are holding for subsequent use. First we have a ship—none other than the old Constitution. But it isn't the real Constitution which, if my memory serves me faithfully, is docked at the Charlestown Navy Yard. It is a replica of the Constitution, about fifty feet long, which floats comfortably on the safe waters of the bay at the United States Naval Academy at Annapolis.

And In Old Mexico

And here is a peon—a Mexican—on the road to Mexico City when Jimmy shot him peacefully with his ever faithful camera.

We have mixed the pictures up as the text will enable you to locate them all. Remember we give a modest prize of one good old American dollar for each picture we use.



More From Gabby Gus!

November 10, 1936.

Editor of the BRIDGE
CUNA
Madison, Wisconsin

Dear Mr. Editor:

It's Gabby Gus bothering you again.

As I told you, we have a good credit union and are those guys saving money. You'd think they were having a race. Let me tell you, I never saw so much idle money since we started. When I think of it I get the fidgets.

I'm a good guy and mean well—you probably think me a know-it-all—found out I don't. Last night after dinner I picked up the paper and my eyes stuck,



yes, just stuck, on all those want ads that were paid for by the finance and automobile loan companies. Over a few pages was a two-page ad by one of our leading stores, offering radios, electric refrigerators, and washing machines—well, most anything you'd want. It said, "Buy on your own terms, plus handling charge." Well, right there is the joker—"handling charge." Boy, that woke me up and how!

Next day I called the credit committee in and we had it out. Now there is another good bunch of guys. I outlined how we could loan money for our members to make cash purchases of cars or anything. They threw up their hands and told me they didn't want to go into what they called a "a wholesale loan business." That made me mad—I called them tight-guys and Scotchmen and everything else and I can tell 'em. I asked them how they'd like going around wearing kilts.

That was about a week ago and has that credit committee been working. The boys took advantage of the big sale with cash borrowed from the credit union. We didn't encourage them to buy—they'd done that anyhow.

I get the biggest kick out of the credit union. Just figured up and we've saved these boys several hundred dollars—that's what I call a brotherly spirit.

Been doing a lot of rambling on, but want you to know that old Gabby Gus is 100% for you.

Yours truly,

GABBY GUS.

Credit Union and Cooperative Stores

I HAVE BEEN asked recently: "Is there or has there been any effort, direct or indirect, on the part of any Credit Union League or of the Credit Union National Association, to promote or to finance cooperative stores, cooperative factories, cooperative light, oil, power or telephone companies?

The unqualified answer is "NO!"

The credit union organizations are sticking strictly to their job—the elimination of high rate money lending and the substitution of cash for credit trading that thereby we may increase the purchasing power of the worker's dollar. Our job is to contribute a large share to making a permanently prosperous America possible by enabling the masses of the people to buy more and more of the things which American factories and American farms produce.

We are a truly cosmopolitan group composed of men and women of all races, all creeds, all political parties and all shades of economic thinking. Individually a credit union member may be a Republican or he may be a Democrat; individually he exercises his American right to worship at the church of his own choosing; many of us are capitalists—most of our credit union members probably believe in capitalism; some of us are doubtless co-operators. Individually we are free American citizens, thinking each of us individually as he chooses to think. But collectively we are for the credit union and we unite only to promote it and to protect it from its enemies.

Like other national magazines which carry articles of the greatest current interest—Collier's and the Forum, for example—the BRIDGE has had articles on the cooperative movement abroad. It is news and it is the business of magazines to carry news articles and to discuss matters of current interest. We believe that our editorials have sounded no note except that of the highest patriotism and the purest Americanism.

We believe and we want to repeat here what we have often said—that the best interests of the credit union will be served if it sticks to its knitting.

We have had and have now the cooperation and support of innumerable industrial groups and of innumerable industrialists. We have performed and are performing a prodigious service for American industry if it be of service to protect their employees from high rate money lenders and to do everything in our power to see to it that the average working man and the average working woman in America is able to buy with the dollars he has earned one hundred cents worth of things and services. *American industry is the greatest single beneficiary of the process.*

We have no axes to grind. We have made no right-minded enemies.

Our way is indeed the truly American way. Our credit unions have been tried by over a quarter of a century of developing experience. They have withstood the depression efficiently. We are simply motivated by a sincere desire to do our particular job well.

We are the most conservative organization in the world for we seek only to conserve those things essential to and consistent with the purposes of the American State in which institutions should be truly of and by the people. We are proud to include within our number every shade of political and economic thinking. Our central organizations will, however, *stick to our particular job. We always have.*

Please Santa, We Want for Xmas:

{1} More Subscriptions.

{2} You to Patronize Bridge Advertisers.

Cuna Mutual Notes

Minneapolis, Minn.: Please tell me how "the CUNA Mutual Society is owned and operated by the credit unions that use it."

By signing the Loan Protection Agreement, the credit union becomes the member and if loan protection has been in force in that credit union for one year previous to the annual meeting, it may send a representative to the annual meeting to participate in elections. All of the assets of the Society are accumulated from service charges paid by member credit unions. There is no exterior capital, therefore the Society is owned by its members who maintain control through the annual meetings.

Cleveland, Ohio: Our credit union has decided to make use of loan protection. What is the method of procedure and should our credit union attempt to absorb the cost as an operating expense?

You will first be supplied with a Loan Protection Agreement which is the policy and contains the terms on which coverage is made. The agreement is to be signed by the person authorized by the credit union Board of Directors and the Secretary of the CUNA Mutual Society. The credit union should absorb the cost as an operating expense. This plan has already been adopted by over one-third of the 800 members of the CUNA Mutual Society and within another 12 months, I predict it will be almost universal.

Chicago, Illinois: The Budget Payment Plan for loan protection has been unanimously adopted by our Board of Directors.

tors. What is to be done with the coverage already in force?

I would suggest that old coverage be canceled and the total unearned service charges be held by the CUNA Mutual Society as a credit against new coverage under the Budget Plan. However, a refund of the unearned service charges will be made on request.

The Total and Permanent Disability provision became effective on all loans covered by the CUNA Mutual Society as of November 1, 1936.

There being no additional cost for this service, no action is necessary on the part of the credit union. However, each member will be furnished with a rider to be attached to the present loan protection agreement.

All contracts signed after November 1 will have the Total and Permanent Disability provision included in the form of a new contract.

A special claim form is being prepared which is to be used in disability cases coming under the scope of the agreement and which have originated after the date the loan was made.

From the beginning the CUNA Mutual Society has sought to improve this service. A number of exclusive features have been introduced from time to time, each one bringing loan protection nearer to a point of perfection.

It has been proved beyond doubt that loan protection is vastly superior when

credit unions themselves produce it through a medium owned and controlled by them for service and not for profit.

Grateful Acknowledgment

We failed in our last issue to acknowledge (and do hereby acknowledge with gratitude) the use of a picture of Seattle in connection with an article entitled "Washington, The Evergreen State," which picture we were permitted to use by the Seattle Chamber of Commerce, C. E. Johnson, Manager. Other pictures used in the same article were by courtesy of the Puget Sound News Company, William O. Thornley, Advertising Manager. We greatly appreciate the use of these fine pictures.

Special Christmas Offer

THE BRIDGE for a Year

plus

Cuna Emerges

Both for \$1.00

(Total Value \$2.50)

Open Only to December 23

Credit Union National Assoc.
Madison, Wis.

Practical CHRISTMAS GIFTS that are Appreciated



HANKSCRAFT AUTOMATIC ELECTRIC APPLIANCES

Here is a truly modern Christmas gift—attractively designed, useful every day and reasonably priced. They are so simple and fascinating to operate—merely put 1 or 2 teaspoons of water in the base; water forms the contact; heating begins at once; automatically shuts off the current when all the water has turned to steam.

Model No. 775
Price \$1.00

Special BOTTLE WARMER

Heats baby's bottle to the correct temperature quickly. When milk reaches the correct temperature, current shuts off automatically. All standard size bottles fit. Finished in pink or blue with cord to match.

Gift Model EGG COOKER

Here is a modern way to prepare eggs deliciously and nutritiously. Cooks four eggs in five minutes; starts instantly; shuts off automatically when eggs are cooked just right. Finished in ivory and chrome.

Model No. 794
Price \$1.95



Gift Model EGG SERVICE

The season's outstanding electrical gift. This attractive set includes a No. 794 Egg Cooker in ivory and chrome, four ivory China egg cups of exclusive design, and an attractive service tray in green, blue or ivory.

Model No. 800
Price \$3.95

Special CREDIT UNION Offer

An order of any six appliances from one credit union will receive a special 10% discount if ordered from the Credit Union National Association, Raiffeisen House, Madison, Wisconsin.

Standard BOTTLE WARMER

The new standard Automatic Electric Baby Bottle Warmer is designed for quick action and accurate timing. It is modern in design, ruggedly constructed, and of maximum utility and efficiency. Makes one of mother's most tedious tasks amazingly simple and easy.

Model No. 673
Price \$2.95



Special EGG SERVICE

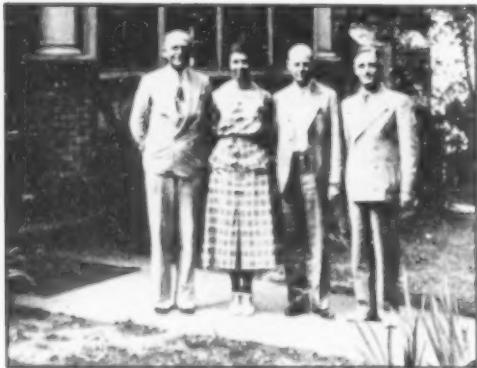


Features a new graceful design that supplements the most fastidious table service. Includes the No. 193 Egg Cooker, four double egg cups of sparkling crystal, egg poacher and lustrous serving tray. Choice of copper or chrome.

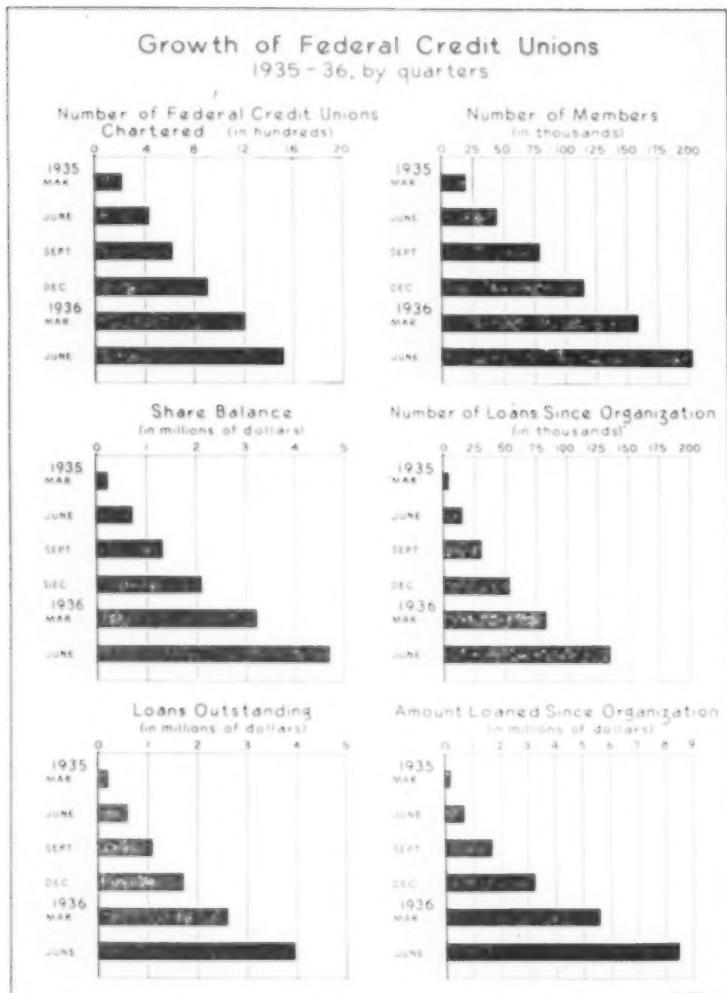
Model No. 193
Price \$6.95
Model No. 193
Egg Cooker Alone
Price \$3.95

They Came Last Summer

OCCASIONALLY a banker comes up to Raiffeisen House to see us. It is beginning to get so cool already in Madison that it is hard to recall what a nice sunny day it was when Mr. J. D. Rangell of the Finnish Central Bank found his way to Madison. I was very fortunate to get this picture of him in the back yard on such a nice day that we were all in our shirt sleeves. We were all much interested in Mr. Rangell's bank and found him a delightful companion. (When anyone tells you Raiffeisen House is located too far from the center of things—refer him to our visitors' register.)



And one nice July day the President of the California Credit Union League, Harry G. Denton of Sacramento, stopped by to see how things were going. Tom, to the right, the BRIDGE Tender to his right and Earl on the left end, completes this interesting group. Mr. Denton was well pleased with his visit.



*A Christmas Gift
that will be
Appreciated!*



an unusual treat that's toothsome, thoughtful, thrifty . . .

Fine, Old Time CHEESES

So hard to get, yet so appreciated by all epicures of fine foods, are these rich, rare cheeses the Swiss Colony has so tenderly and carefully aged in old-time cellars. For the first time you can assure yourself of this ultimate in cheese quality, happily and prettily packed in gay Christmas assortments.

Two Special Christmas Assortments

Size 1 includes June-Cured Swiss, Swiss Colony Brick, Camembert, Old Heidelberg, Limburger and Rexoli Cheeses, the assortment weighing $3\frac{1}{2}$ lbs. (net) or more, and specially priced at \$2, plus 20c ea. for packing and shipping.

Size 2 includes the same assortment as above, but in larger cakes, the assortment weighing 5 lbs. (net) or more, and priced at only \$3, plus 30c ea. for packing and shipping.

The SWISS COLONY MONROE, WISCONSIN

The SWISS COLONY
"Little Switzerland"
Monroe, Wisconsin

Please ship _____ \$3 Christmas Assortments (add 30c ea. for shipping)
_____ \$2 Christmas Assortments (add 25c ea. for shipping)

I enclose \$_____. I understand your money-back guarantee protects me against damaged shipment or unsatisfactory cheese.

Name _____

Street _____

City _____ State _____

Reference: The Citizens Bank, Monroe, Wis.



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UNDERWOOD &
UNDERWOOD STUDIOS

ONCE THERE was a humble man. Born to comparative poverty, without any of the opportunities which are now a part of every child's heritage in America, product of the wilderness, homely, ungainly but wise and observing and ambitious and of vase patience, tolerance and good humor—this man became the symbol of America. He established a standard for all generations of American citizens. He proved that from lowly birth could come greatness. He established the standard of the completely successful life by giving to a great cause life itself. In the end his grateful countrymen came suddenly, at his passing, to know that they had rubbed shoulders with one of the immortals. Because this man was of the people we the people love him. Because he served the people we have honored him to our little best with almost the finest memorial ever built to commemorate a great life—the finest only second to the memorial built in the consciousness of mankind to the life of another humble man, a carpenter, who walked the earth like other men and told them to love each other. Lincoln was so close to those who toil that he built for them a great aspiration—a yearning

for true liberty and he planted an irresistible urge in the human breast which urge will be there, driving the human race on until it shall at last be free. There is something of extraordinary significance that this monumentation to Labor in the Nation's Capitol, so simple and so powerful and so fine in all of its connotations, should be so close to the Lincoln Memorial. It would seem that the immortal spirit of Lincoln must have been consulted for he would have had it so. His was a faith—a faith which knew neither compromise nor denying—in the common man. His was a vision of a great America in which all mankind should be freed for all time from every shackle. His was an allegiance to the principle of human rights. We cannot go nationally astray in America so long as we keep Lincoln enshrined in our hearts—so long as we keep the dignity of Labor close neighbor to the immortal spirit of the greatest American. There is hope and inspiration for every true American in this picture. The spirit of Lincoln, his love for the human race, hover over those who toil and who would make America come true.

Contact Directory

To contact the Credit Union National Association, the Cuna Mutual Society, the Printing and Supply Department, the BRIDGE or any State not listed below, address:
Credit Union National Association, Raiffeisen House—Madison, Wisconsin

To contact the Federal Credit Union Section address all communications to:
C. R. ORCHARD, *Director*, Credit Union Section
Farm Credit Administration, Washington, D. C.

Mr. Orchard will refer your inquiry to the Field Representative in your District. For this purpose the United States is divided into nineteen districts with a well qualified resident field secretary in each District and prompt cooperation is assured.

To contact the State Leagues address:

| <i>State</i> | <i>Managing Director</i> | <i>Address</i> |
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| Arizona | WILLIAM OLDEWAGE | 20 East Second St., Tucson |
| Arkansas | VACANCY | |
| California | JOHN L. MOORE | P. O. Box 964, Oakland |
| Colorado | FRANK L. HAYS | City Hall, Denver |
| Connecticut | L. R. NIXON | Senior High School, New Britain |
| District of Columbia | MRS. LOUISE FOX | 3006 Dent Place, N. W., Washington |
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